EXHIBIT 48

[Part 2 of 2]

The new phase of the strategy also aims to reinforce the focus on vulnerable groups, such as women, migrants, people with disabilities or workers involved in the production of raw materials, etc., ensuring transversality across all Priority Impact Areas.

This strategy is implemented through a network of partnerships, initiatives and interventions aimed at promoting systemic changes in the industry and communities.

To develop the strategy, on-the-ground collaboration and monitoring is very important. To support this monitoring, in 2023 alone, we conducted 821 monitoring visits (540 visits in 2022)[63].

Transformation and impact: how do we approach this?

/ **We continue to ascertain, evaluate and improve** working conditions in our supply chain while at the same time involving workers in the improvement process.

/ **We continue to foster close and strategic links with relevant stakeholders,** who will continue to present us with challenges and to support us in achieving shared goals.

/ **We involve our partners and suppliers,** also fostering solutions based on their own initiative.

/ **We work with the rest of the industry,** seeing sustainability as an issue common to all and as a priority for shared supply chains.

/ **We innovate** in the quest for new ways to listen to the supply chains and take part in active corrective measures led by stakeholders.

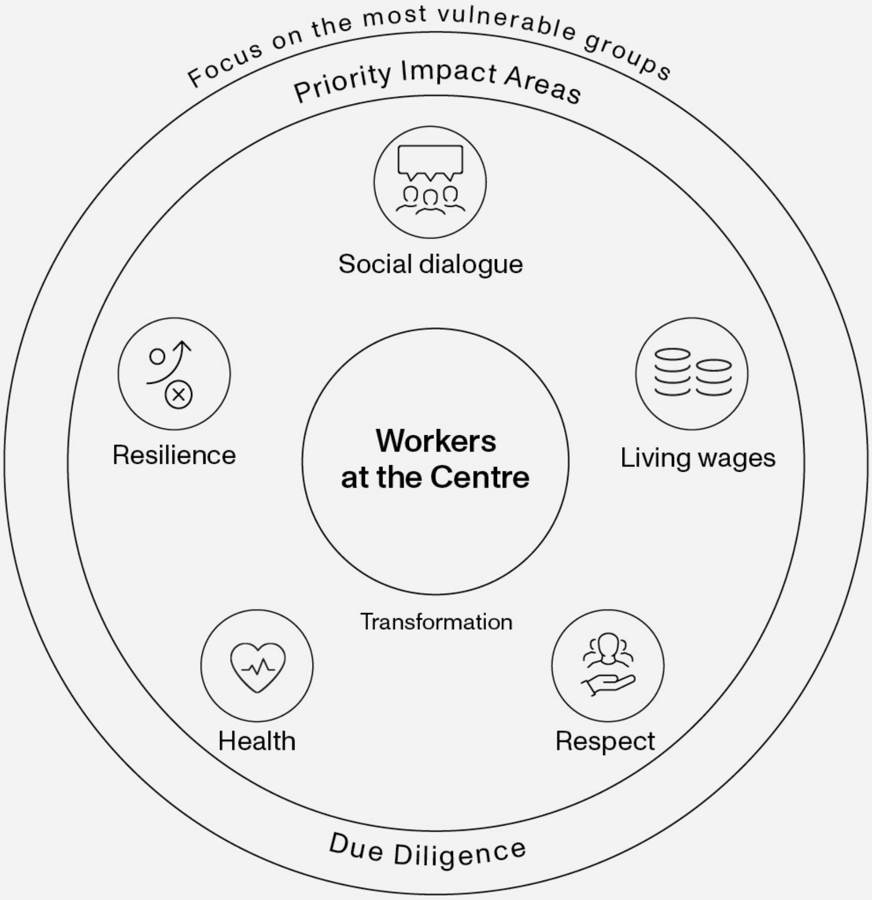
/ **We focus on transformation,** which includes creating prosperous and resilient communities around our supply chains.

/ **We address needs** by paying attention to what is happening around us, while also engaging our team of experts from all over the world.

[63] Previously reported as 'special audits'. In order to enhance transparency, this year we detail the topics and volume of the 'special audits' in the various sections of this Report.

Workers at the Centre

The Workers at the Centre 2023-2025 strategy is based on **respect for the human rights** of the workers in the supply chain. **Our goal is to reach three million people by 2025.**



Workers at the Centre 2023

1,461,255
People
reached by the strategy

1,719
Suppliers and factories
involved in the strategy

46
Initiatives and solutions
developed in factories and/or communities

100%
Suppliers
covered by the strategy

31
Organisations
we collaborate with

Priority Impact Areas

Social dialogue
Facilitating mature industrial relations as a vehicle for a more participative society.

Living wages

Setting the conditions for the achievement of Living Wages in the Inditex supply chain

Respect
Promoting safe and respectful environments, free from discrimination, abuse or harassment.

Health
Protecting the health and safety of workers in the supply chain, and improving their well-being.

Resilience
Contributing to create preventive, adaptive and transformative capacities for development.

Elements of the strategy

/ Due Diligence
A continuous process, based on the UN Guiding Principles on Business and Human Rights, allowing us to identify five Priority Impact Areas. These areas are synergetic and interconnected.

/ Transformation
Transformation is a slow process and requires the commitment and collaboration of various parties. Our Workers at the Centre strategy connects us to the present and the challenges it poses, without losing sight of our ultimate goal, which is to transform the industry and communities.

/ Equity as our focus
We make more visible and integrate the needs of the most vulnerable groups, including women, migrants and refugees.

/ Solutions

Priority Impact Areas develop, support and combine different types of solutions and interventions to pursue their objectives: partnerships, collaborations with different stakeholders, direct interventions with suppliers or community outreach, among others.

All the approaches complement each other and, at different paces and scales, contribute to and are part of implementing the strategy.

Key characteristics of the Workers at the Centre strategy

From compliance to commitment

In the journey towards socially sustainable supply chain management, embedded in our human rights strategy, we have gradually incorporated new elements to strengthen the protection of rights, evolving from a compliance-based model to the current strategy, which folds in the vision of transformation and impact.

Culture of collaboration

The challenges posed by a global supply chain are shared, so collaboration is required to have a leveraging and lasting impact. In particular, our sustainability goals for the supply chain are shared by suppliers, manufacturers, companies and brands, and other stakeholders such as NGOs, trade unions and local and international organisations.

Furthermore, at Inditex we take an open and collaborative approach with a range of bodies and we actively participate in the industry's global initiatives as the driving force for transformation, always with the aim of that the sector adopts widespread sustainable practices.

One of our most significant relationships is with the international trade union federation IndustriALL, with which Inditex signed a Global Framework Agreement in 2007. This Agreement is one of our most valuable tools for promoting worker participation, the respect for freedom of association and collective bargaining.

We also work with international organisations such as the United Nations Global Compact, the Ethical Trading Initiative and the International Labour Organization (ILO), through public-private partnerships, and the Better Work Initiative.

We highlight the importance of our collaboration with other brands through various initiatives, such as ACT (Action, Collaboration, Transformation), which works to achieve living wages in the supply chain through responsible purchasing practices and collective bargaining.

Focus on vulnerable groups

Although we design and implement global strategies for each of the Priority Impact Areas, we focus especially on the most vulnerable people. We want to make sure to listen to the people who are least represented and potentially most affected.

Women, migrants and refugees or people with disabilities are some of the key beneficiaries of this strategy, and we remain especially supportive of their needs.

Systemic perspective

Our due diligence process takes into account environmental and climate change impacts on people. Health and human and planet prosperity are interdependent and go hand in hand. All human beings depend on the environment in which we live, so having a safe, clean, healthy and sustainable environment is crucial for enjoying a wide range of human rights, including the rights to life, health, food, water and sanitation.

Combination of global and local approach and implementation

We have teams in the main production markets, in direct contact with suppliers, workers, trade unions, NGOs, local and national authorities, international organisations and academic institutions, among others. This way of working at the local level is what we call **'clusters'**. In 2023, Inditex had ten clusters in Spain, Portugal, Morocco, Türkiye, India, Bangladesh, Pakistan, Vietnam, China and Cambodia.

We pay special attention to the context in each of the regions where our suppliers operate.

Integration in the business model

At Inditex, we see sustainability as a **way of acting**, and as such it permeates the entire business model and each of the areas that develop it.

In particular, the involvement of the buying teams is essential. Among others, we have developed management systems that allow all our buying teams to know the performance of each supplier, encouraging **responsible purchasing practices** that allow them to make sustainability-focused business decisions.

Supporting our suppliers

Raising awareness and training of our suppliers enables us to address supply chain challenges as a shared responsibility. Our buying and sustainability teams have a very close relationship with suppliers. A prime example is the continuous and specialised training on issues such as gender equality, freedom of association, living wages or health and safety. In 2023, we provided training programmes to 911 suppliers.

7.2.2. Social dialogue

GRI 3-3; 407-1; AF5

Social dialogue

Goal
Facilitating mature industrial relations as a vehicle for a more participative society

Main lines of work
/ Worker participation

/ Ecosystems for dialogue

Related SDGs

Related human rights

/ Rights to freedom of opinion and expression

/ Right to freedom of assembly

/ Right to freedom of association and collective bargaining

/ Right to form or join trade unions and the right to strike

/ Right to work

Alliances and partnerships

/ ACT (Action, Collaboration, Transformation)

/ Better Work

/ Ethical Trading Initiative

/ *Foro Social de la Industria de la Moda de España*

/ IndustriALL Global Union

/ International Apparel Federation (IAF)

2023 Key indicators
/ 411,676 people reached

/ 218 suppliers and factories involved

/ Bangladesh, Cambodia, China, Egypt, Indonesia, Morocco, Pakistan, Türkiye, Tunisia, Vietnam

Worker participation, along with maintaining and developing the ecosystems for dialogue, are the two core premises for achieving mature industrial relations and, as a result, for promoting more engaged and equal societies. Our commitment and contribution to protecting the fundamental rights to freedom of association and bargaining aims to generate a positive impact on Inditex's supply chain.

a) Worker participation

Our Global Framework Agreement with IndustriALL Global Union is one of the most effective tools for safeguarding the respect of the rights to freedom of association and collective bargaining in our supply chain. Since 2007 we have been implementing this vision through the successive renewals of the Global Framework Agreement. The latest renewal, in 2019, involved the creation of the Global Union Committee, a representative body of IndustriALL set up to promote worker representative engagement and coordination between Inditex and IndustriALL Global Union and its local affiliates.

We have also been able to work on Dispute Resolution Mechanisms through the internal communication channel enabled under the Global Framework Agreement, as well as other mechanisms set up under different initiatives, such as the Interim Dispute Resolution Mechanism in Bangladesh (concerning freedom of association rights and the payment of wages and benefits for ACT workers) or the Dispute Resolution Mechanism of the International ACCORD.

Main initiatives in 2023

/ Implementation of the Global Framework Agreement with IndustriALL Global Union (global).
/ Training on the Global Framework Agreement (Morocco, Tunisia, Türkiye).
/ Training for local affiliates of IndustriALL concerning the mechanisms of the Global Framework Agreement (Cambodia, Morocco, Türkiye.

b) Ecosystems for dialogue

Empowering the representatives of workers and employers through social dialogue platforms at local or industry level is one of the best ways to generate impact at different stages of the supply chain.

We are actively working on representation mechanisms and raising awareness regarding industrial relations through initiatives such as ACT (Action, Collaboration, Transformation), Better Work, the Ethical Trading Initiative or the Foro Social de la Industria de la Moda de España. We are also working in other areas linked to occupational health and safety or equality through initiatives such as International ACCORD. Here, the contribution of Inditex along with other international brands and companies, IndustriALL Global Union and other key stakeholders has served to create opportunities for collaboration in various areas of common interest.

We also embarked on a new journey in terms of workers satisfaction through the analysis of our supply chain in Morocco. We now aim to transfer this experience to other markets to continue our in-depth analysis of workers' needs, which we see as paramount for their empowerment and satisfaction.

Main initiatives in 2023

/ Better Work programme (Bangladesh, Cambodia, Egypt, Indonesia, Pakistan, Vietnam).
/ Collaboration through the ACT initiative (Bangladesh, Cambodia, Türkiye).
/ Social dialogue programme by the Ethical Trading Initiative (ETI) (Bangladesh).
/ Training in industrial relations (China).

Framework agreement signed with the International Apparel Federation (IAF)

On 2 October 2023, Inditex and the International Apparel Federation (IAF)—an organisation that represents 100,000 manufacturers from more than 40 countries through its member associations—signed a framework agreement aimed at driving a meaningful transformation in the global garment industry. This agreement aims to develop a more people- and planet-friendly industry by improving circularity, traceability and worker well-being, paving the way for developing projects connected with these areas.

IAF and Inditex have identified key areas of focus within the agreement, including boosting industrial development in producer countries and transitioning to an industry that makes waste into new raw materials while aiming for net zero emissions, encouraging the adoption of renewable processes and energies with a lower impact on ecosystems. Furthermore, the agreement lays particular emphasis on improving working conditions and envisages collaborative actions on issues such as occupational health and safety, social protection, diversity and inclusion.

It also includes cross-cutting aspects such as the creation of a common framework to measure and verify the impacts of the textile industry and encourage resilience and the adoption of transparency-enhancing practices, such as digital labelling. In addition, it explores the interoperability of information systems and promotes the digitalisation and increased efficiency of global supply chains, among other issues.

7.2.3. Living wages

GRI 3-3; 407-1; AF5

Living wages

Goal
Setting the necessary conditions for the achievement of Living Wages in the Inditex supply chain

Main lines of work
/ Necessary conditions for collective bargaining

/ Responsible purchasing practices

/ Management systems and favourable practices

Related SDGs

Related human rights

/ Rights of protection of the family and the right to marry

/ Right to a family life

/ Right to enjoy just and favourable conditions of work

/ Right to an adequate standard of living

/ Right to health

/ Right to education

Alliances and partnerships

/ ACT (Action, Collaboration, Transformation)

/ Habitat Association (*Habitat Derneği*)

/ Better than Cash Alliance

/ BSR (Business for Social Responsibility)

/ East China University of Political Science and Law (ECUPL)

/ Faculty of Science and Technology, Tangier

/ IndustriALL Global Union

/ International Labour Organization (ILO)

/ RISE: Reimagining Industry to Support Equality

2023 Key indicators
/ 31,318 people reached

/ 47 suppliers and factories involved

/ Bangladesh, Cambodia, China, Egypt, Morocco, Türkiye, Vietnam

We believe that workers can only be guaranteed a living wage by means of effective, industry-wide collaboration between workers' representatives and employers with a view to fostering social dialogue and ongoing respect for freedom of association and collective bargaining rights, backed by continuous improvements in responsible purchasing practices.

Consequently, both our Framework Agreement with IndustriALL Global Union and our work with the ACT (Action, Collaboration, Transformation) initiative are essential pillars for progress. We also work in areas such as wage digitalisation, boosting productivity and financial education to foster optimised management systems and employee-friendly practices in wage payment.

a) Necessary conditions for collective bargaining

At Inditex, we believe that strengthening collective bargaining agreements at industry level, underpinned by improvements in responsible purchasing practices, are the right way to progress in achieving living wages. Accordingly, our approach is closely linked to our social dialogue strategy, and in particular to our relationship with one of our main stakeholders, IndustriALL Global Union.

Moreover, another primary tool is our active involvement in the ACT initiative, in which the 19 international member brands and IndustriALL Global Union work together to promote platforms for dialogue in the countries where the initiative is in place, to create a working environment between workers' representatives, employers and international brands with an onus on best purchasing practices and promoting conditions for collective bargaining between employers and workers' representatives.

Main initiatives in 2023

/ Collaboration through the ACT initiative (Bangladesh, Cambodia, Türkiye).

/ Implementation of the Global Framework Agreement (global).

b) Responsible purchasing practices

Responsible purchasing practices can help create an environment that is conducive to improving working conditions, wages and benefits for workers in the supply chain. Mindful of this, as ACT members since 2018 we have signed up to five commitments in relation to purchasing practices.

In 2023, we have again carried out ACT's purchasing practices surveys with our buying teams and suppliers. Since then, we have held meetings with buyers to map out improvements and key next steps. Suppliers are another important part of this process, and their feedback is also shared with the teams.

To implement these commitments and help our buying teams make responsible purchasing decisions, we train them to adopt best practices, developing and providing them with management systems that measure the sustainability performance of each supplier and factory.

We have also completed the first and second editions of the Foundations of Textile Manufacturing programme at the Inditex's Sustainable Fashion School, devised in collaboration with the University of Leeds, training 1,200 employees.

Main initiatives in 2023

/ Responsible purchasing practices with ACT

/ Training buyers at the Inditex Sustainable Fashion School

c) Management systems and favourable practices

To make headway on our path to achieving living wages, we must take a holistic approach and work on several fronts, including creating an ecosystem that fosters favourable conditions and lays a solid foundation for the payment of living wages to workers in Inditex's supply chain. With this in mind, we combine a compliance approach underpinned by audits and corrective plans, with programmes and interventions based on training and impact.

Enhanced skills, improved productivity, effective wage management systems, and financial literacy of the workers are some of these important favourable conditions that play a crucial role in improving workers' wages and benefits. In fact, there is a direct link between these matters and the payment of living wages.

Main initiatives in 2023

/ Lean Project (Bangladesh, China, Morocco).

/ RISE Financial Health project (Cambodia, China, Egypt, Vietnam).

/ SCORE Programme (China).

/ Wage digitalization capacity building (Vietnam).

/ Wage management project (China).

/ Look Through Another Window project (Türkiye).

7.2.4. Respect

GRI 3-3; 408-1; 409-1; AF5; AF24; AF27; AF32

Respect

Goal
Promoting safe and respectful environments, free from discrimination, abuse or harassment

Main lines of work

/ Respectful work environments free from any kind of violence and harassment

/ Fair recruitment and employment culture

Related SDGs

Related human rights

/ Right not to be subjected to slavery, servitude or forced labour

/ Right to freedom of movement

/ Rights to freedom of thought, conscience and religion

/ Rights of protection for the child

/ Right to a family life

/ Right to education

/ Right to equality before the law, equal protection of the law, and rights of non-discrimination

/ Right to non-discrimination in economic, social and cultural rights

/ The equal right of men and women to the enjoyment of all economic, social and cultural rights

/ Right to enjoy just and favourable conditions of work

Alliances and partnerships

/ *Anne Çocuk Eğitim Vakfi* (AÇEV)

/ *Associação Plano i*

/ RISE: Reimagining Industry to Support Equality

/ *Casal dels Infants*

/ Association for Solidarity with Asylum Seekers and Migrants (ASAM)

/ Ethical Trading Initiative (ETI)

/ International Labour Organization (ILO)

/ Network of Organizations Working for People with Disabilities Pakistan (NOWPDP)

/ Pratham

/ Refugee Support Center (MUDEM)

/ Social Awareness and Voluntary Education (SAVE)

/ Support to Life (STL)

/ United Work

2023 Key indicators

/ 64,929 people reached

/ 133 suppliers and factories involved

/ Bangladesh, China, India, Morocco, Pakistan, Portugal, Türkiye

Everyone must be treated with respect, fairness and dignity. At Inditex, through this Priority Impact Area, we defend the need to promote respectful and equal workplaces, and we apply an integrated framework based on zero tolerance policies and practices against abuse and inequalities, identifying the hazards and risks, addressing their underlying causes and developing the necessary solutions, with a focus on equality and a culture of collaboration. Ultimately, our goal is to guarantee workers a safe workplace, free from any kind of harassment, abuse and violence, and a climate of respect in the factories linked to Inditex.

At Inditex we believe that gender equality is not only a fundamental human right, but also an essential value for the sustainability of the supply chain and for development.

That is why, for some years, we have been working in the field of gender, diversity and inclusion, and this Priority Impact Area is one of the main catalysts for nurturing respect for the related ILO international standards.

Likewise, Inditex does not tolerate any form of modern slavery or human trafficking in its organisation or its supply chain, and engages actively in the promotion of and respect for human rights.

a) Respectful work environments free of all forms of violence and harassment

We carry out activities and solutions on an evidence-based approach, aimed at understanding the specific needs of target groups in both the workplace and the community to develop viable solutions to halt violence and harassment and thus foster a culture of respect as a preventive measure while reinforcing mitigation and remediation measures when required.

Main initiatives in 2023

/ EDUCARE project (Morocco)
/ ETI Gender Sensitive Workplace project (Bangladesh)
/ Cohesion support groups project (Türkiye)
/ LGBTI+ Awareness project (Portugal)
/ Migrant Parents project (China)
/ *Parwaaz* project - Disability management in the workplace (Pakistan)
/ Training for refugee workers (Türkiye)
/ RISE Respect project (Bangladesh, India)
/ Together Strong project (Türkiye)
/ Towards an Inclusive Workplace project (Türkiye)
/ Workplace Adaptation project (Türkiye)

b) Fair recruitment and employment culture

Having fair recruitment and employment practices is key to achieving decent working conditions. At Inditex we have a zero tolerance policy towards child labour and any kind of forced labour. These topics are discussed in our Code of Conduct for Manufacturers and Suppliers, which specifies that the employment of children and any form of forced or involuntary labour by our manufacturers and suppliers is strictly prohibited.

In order to improve and further develop these areas, we have a supply chain management system that includes aspects such as audits, corrective plans or awareness activities, among others, allowing us to identify and remedy potential breaches. Even so, our various initiatives under the Workers at the Centre strategy play a crucial role not only in preventing these situations in the first place, but also in taking the necessary action if any non-compliances are detected.

Main initiatives in 2023

/ *Sowbhagyam* project (India).
/ *Sankalp* project (India).
/ Remediation programme for migrant workers (Türkiye).

7.2.5. Health

GRI 3-3; 403-6; 403-7; 403-8; AF5

Health

Goal
Protecting the health and safety of workers in the supply chain, and improving their well-being

Main lines of work
/ Physical health

/ Workplace safety

/ Well-being

Related SDGs

Related human rights

/ Right to life

/ Right to health

/ Rights of protection of the family and the right to marry

/ Right to enjoy just and favourable conditions of work

/ Right to a family life

/ Right to a clean, healthy and sustainable environment

/ Right not to be subjected to torture, cruel, inhuman and/or degrading treatment or punishment

/ Right to an adequate standard of living

Alliances and partnerships

/ International Accord for Health and Safety in the Textile and Garment Industry

/ *Medicus Mundi Sur*

/ RISE: *Reimagining Industry to Support Equality*

/ RMG Sustainability Council (RSC)

/ St. Johns Medical College

/ University of Oxford

2023 Key indicators
/ 1,125,665 people reached

/ 1,337 suppliers and factories involved

/ Bangladesh, China, India, Morocco, Portugal, Sri Lanka, Vietnam

In 2022, the ILO declared that a safe and healthy working environment is a fundamental right and principle at work. For decades, Inditex has been committed to promoting these basic rights in our supply chain. In this connection, we have a framework of procedures in place to ensure compliance with the requirements through assessments and corrective activities, and we take a comprehensive and holistic approach by identifying best practices to address specific challenges and workers' needs. Working with expert organisations to identify areas for improvement allows us to better implement the solutions devised, through both immediate actions and long-term goals.

In 2023, by means of this Priority Impact Area, Inditex has developed several initiatives of its own or in collaboration with expert organizations recognized for their professionality in the field, to further strengthen our commitment to guaranteeing safe and healthy working environments for workers part of Inditex's supply chain. Our commitment to equality is always woven into the solutions we develop to ensure that the needs of all vulnerable groups.

a) Physical health

As part of this strategic line, we have continued our commitments and initiatives aimed at reinforcing the evaluation, support and improvement of compliance with our Code of Conduct for Manufacturers and Suppliers.

We have developed a global plan to strengthen occupational health and safety in our supply chain, launched in 2022, aiming to proactively engage with our key suppliers and manufacturers to improve, where necessary, their level of health and safety compliance.

Through this commitment, an individual improvement plan is developed for each supplier and factory based in different markets. A team with specific training in this area then continuously monitors the corrective action plans and regularly contacts with each supplier or manufacturer, providing advice, monitoring progress and verifying improvements to ensure greater compliance with our Code and related applicable legislation using an empirical approach.

Main initiatives in 2023

/ Project in collaboration with Medicus Mundi (Morocco).

/ OHS Corrective Action Plan (global).

b) Workplace safety

Workplace safety is a fundamental part of any working environment. Creating a safe environment to protect workers from accidents or occupational illnesses is paramount for Inditex. In this regard, we continuously implement due diligence processes in our supply chain to identify safety risks and hazards and to offer tailored solutions to prevent, remedy and improve the situation.

In this strategic line we focus on the commitment to have safe and suitable facilities and workplaces and to raise awareness as necessary to inform workers and management regarding effective workplace safety management.

For instance, as a signatory of the International Accord for Health and Safety in the Textile and Garment Industry, Inditex is committed to health and safety at textile factories. Through ongoing interaction we verify and oversee the effective implementation of corrective actions at our suppliers and manufacturers.

Main initiatives in 2023

/ Accord-CAP Remediation project (Bangladesh).

/ WISH: Workplace Improvement for Safety and Health project (China).

/ *Suraksha*: fire & electrical system assessment + thermography project (India).

/ Boiler Safety project (Morocco).

c) Well-being

The World Health Organization (WHO) defines well-being as a positive state experienced by individuals and societies. Similar to health, it is a resource for daily life and is determined by social, economic and environmental conditions. Well-being encompasses quality of life and the ability of people and societies to contribute to the world with a sense of meaning and purpose. Focusing on well-being supports the tracking of the equitable distribution of resources, overall thriving and sustainability.

At Inditex we firmly believe that these issues must be addressed in the supply chain by placing particular care on mental health and reducing the psychosocial risks workers are exposed to, creating and maintaining a workplace culture of well-being and promoting the dissemination of knowledge; means whereby ecosystems benefit workers, their families and the community.

Main initiatives in 2023

/ SAKHI Menstrual Rights project (India, Sri Lanka).

/ Project on mental health promotion (Portugal).

/ RISE Health project (Vietnam).

Renewal of the International Accord

In November 2023, brands—including Inditex—and trade unions renewed their commitments for another three years, and agreed an automatic renewal for a further three years after that, making it the longest Accord pledge to date. This enduring commitment reflects the conviction of the signatory brands and trade unions regarding the Accord's impact on workplace health and safety through independent factory inspections, remediation, safety training and an effective worker grievance mechanism.

7.2.6. Resilience

GRI 3-3; AF5

Resilience

Goal
Contributing to create preventive, adaptive and transformative capacities for development

Main lines of work

/ Social protection

/ Just transition and the future of work

/ Prosperous livelihoods

Related SDGs

Related human rights

/ Right to freedom of assembly

/ Rights of protection for the child

/ Right to equality before the law, equal protection of the law, and rights of non-discrimination

/ Right to social security, including social insurance

/ Right to a family life

/ Right to education

/ Right to a clean, healthy and sustainable environment

/ Right to health

Alliances and partnerships

/ ASA (Action for Social Advancement)

/ East China University of Political Science and Law (ECUPL)

/ International Labour Organization (ILO)

/ *İyi Pamuk Uygulamaları Derneği* – IPUD

/ RISE: *Reimagining Industry to Support Equality*

/ *Swasti*

2023 Key indicators

/ 20,492 people reached

/ 85 suppliers and factories involved

/ China, India, Pakistan, Türkiye, Uzbekistan, Vietnam

The global economic, social, climate and political context is dynamic, and the associated changes affect the resilience of the supply chain, including that of workers and communities that depend on it directly or indirectly. In this Priority Impact Area we analyse megatrends and work alongside suitable partners to create more resilient suppliers and communities. These commitments must be developed while also anticipating effects such as those arising from climate change or the impact of technology on the future of work, and without overlooking support for proper social security systems to ensure that no one is left behind. This would also involve exploring ways of securing prosperous livelihoods, including the production of raw materials.

a) Social protection

We are engaged in ensuring access to adequate and sufficient social security coverage in the supply chain, regularly evaluating the compliance levels of factories and suppliers and, where necessary, implementing and monitoring corrective action plans.

We also took part in the Covid-19: Action in the Global Garment Industry initiative, which emerged in 2020 as a joint response to the effects of covid-19, and which calls 'to work together to establish sustainable systems of social protection for a more just and resilient garment industry'.

Main initiatives in 2023

/ Happiness for All (India).
/ Covid-19: Action in the Global Garment Industry (global).
/ Training on social security-related benefits (China).

b) Just transition and the future of work

We want to ensure that a human rights-based approach is systematically incorporated into Inditex's climate commitments. Human rights experience and practice are combined with environmental plans and actions, thereby ensuring that the social impact is taken into account. We also endeavour to understand how jobs and skills are set to evolve.

Main initiatives in 2023

/ Rise Foundations project (China, Vietnam).

c) Prosperous livelihoods

In this line of action, we focus primarily on the livelihoods of people involved in the production of raw materials, including those in the agricultural sector.

While raw materials, both natural and man-made, are pivotal components in the creation of end products, their supply chain is highly complex and involves challenges linked to labour conditions, as well as development, prosperity and resilience. These challenges must be addressed both locally and globally, so a holistic approach is called for. This approach must encompass traceability, due diligence and a commitment to respect for and promotion of human and labour rights.

Main initiatives in 2023

/ Public-private partnership with the International Labour Organization (India, Pakistan, Uzbekistan).
/ Collaboration projects for promoting regenerative agricultural practices (India).
/ Child & Women Friendly Mobile Areas project (Türkiye).

7.3. Communities

Material topic: Value creation in the community

ⓘ More information in the *Community Investment Policy,* available on Inditex's corporate website.

7.3.1. Our community investment strategy

GRI 2-23; 2-28; 3-3; 203-1; 413-1; 413-2; AF33

We see community investment as an opportunity to contribute to sustainable development through voluntary activities that go beyond the limits of our value chain and the boundaries of our sector.

All these activities are based on our **Community Investment Policy,** which develops the content on community investment set out in the Code of Conduct, the Sustainability Policy and the Policy on Human Rights.

Our Community Investment Policy was updated in 2022 to incorporate best practices and recommendations. Accordingly, we aligned our initiatives not only with our corporate strategy, but with the Paris Agreement and the Sustainable Development Goals (SDGs), established in the United Nations 2030 Agenda. In fact, the SDGs are the foundation of our community investment programme.

ⓘ More information in the *Community Investment Policy,* available on Inditex's corporate website.

Our approach to corporate community investment

We aim to bring about a lasting impact in the community, which is why we focus our efforts on supporting long-term strategic projects, subject to an exhaustive monitoring and accountability process, instead of making sporadic contributions to social or environmental causes.

To achieve this, we invest monetary or in-kind resources or hours—such as our people's time spent volunteering—in an array of **non-profit initiatives**.

Accordingly, we currently support projects focused on:

/ **Education:** actions aimed at safeguarding the right to quality education throughout life and generating opportunities for decent work grounded on inclusion and equity.

/ **Emergency relief:** initiatives to safeguard the lives, health and well-being of forced migrants and refugees, as well as other vulnerable groups facing humanitarian emergency situations—natural disasters, armed conflicts or similar circumstances—.

/ **Environment:** activities aimed at conserving and restoring ecosystems, fostering regenerative practices, supporting the circular economy and using resources efficiently.

The importance of gender equality

We see gender equality as a transversal priority in our strategy. Accordingly, the initiatives we support promote respect for diversity and equality between men and women in all spheres (economic, social, cultural, labour, political, etc.). This approach addresses the root causes of the problem and helps to solve it.

How we monitor our investment

We believe it is crucial to rigorously measure the results and impacts achieved. To do this, we use, among others, the Business for Societal Impact (B4SI) measurement methodology, based on allocating contributions in the community, measuring achievements and evaluating the impact of the various components of the project.

Our Corporate Community Investment in **2023**

In 2023 we supported 910 community and environmental projects with an investment of more than 112 million euros. These initiatives, focused on SDGs linked to our activity, have directly benefited more than 4.3 million people[64].

Among the new initiatives launched this year, the following stand out:

/ Development of emergency relief programmes, in response to the earthquakes in Türkiye and Morocco, as well as Hurricane Otis in Mexico, in collaboration with national organisations like the Red Cross and the Red Crescent.

/ Strengthening stable collaboration in emergency relief, starting with support for the Emergency Unit of *Médecins Sans Frontières* and its programmes to assist refugees and migrants in Bangladesh and Mexico.

/ Establishing a strategic partnership with Conservation International to develop the Regenerative Fund for Nature to support the transition from fashion-related raw materials production to regenerative agricultural practices.

/ Promoting development cooperation through the Every Mother Counts programme extension, in order to provide pre-natal care to pregnant women in Bangladesh and the United States, as well as renewing the *Missão Paz* programme for welcoming and supporting the integration of immigrants and refugees in Brazil.

/ Strengthening social action in Spain based on collaboration with *FAD Juventud* to provide quality jobs to young people in Spain, in particular women, in technological professions with good future prospects, as well as raising awareness for young people in addiction prevention.

/ Strengthening of community programmes in the area of Inditex's main headquarters, based on, among others, renewal of the *"A Flote"* emergency relief programme for persons in a situation or risk of social exclusion in A Coruña, in partnership with the Municipal Government and *Fundación Emalcsa*, and the collaboration with the Galicia Regional Government to launch the 'Fund for the integrated recovery of the Galician territory affected by wildfires in 2022'.

/ Inauguration of the first for&from store in Portugal, under the Zara Home retail format, in collaboration with *Associação VilacomVida*.

/ Promoting research talent in the university environment, with the renewal of the inMOTION Predoctoral Residency Grant Programme in collaboration with the University of A Coruña.

/ Renewal of the three-year agreement with Tsinghua University School of Economics and Management (China) for student placements abroad, grants for low-income students and traineeships for students in connection with support for vulnerable people.

Our target 2022-2025

In 2022 we undertook to help 10 million people through our community investment programme between 2022 and 2025. In 2023 alone we helped 4.3 million people.

[64] Inditex's community investment is recorded under heading 6. Operating expenses of the Consolidated Income Statement.

Our Corporate Community Investment in 2023*

Impacts / What has improved?

Impact on people - Depth ***

7% experienced limited changes
82% benefited from an improvement in their lives
11% experienced a fundamental change

Impact on people - Type ***

31% obtained behaviour or attitude changes
1% acquired new skills
96% improved their quality-of-life

Impact on community-based organizations****

94 % improved or new services
88 % improved management processes
95 % increased their capability to take on more staff or volunteers
100 % increased their profile

Impact on employee participants*****

99 % improved personal skills
99 % improved personal well-being
99 % experienced a positive change in their behaviour

(*) Data calculated in accordance with B4SI methodology based on voluntary expenditure by Inditex on Corporate Community Investment projects during the financial year 2023. The average exchange rate of financial year 2023 was used to convert contributions into euros. (**) Additional resources contributed to a community organisation or activity that come from sources other than the Company -employees, suppliers and customers, among others-. (***) Impact assessment carried out on 4,059,696 direct beneficiaries. (****) Impact assessment carried out on 275 community organizations supported by Inditex. (*****) Impact assessment carried out on a 225 employees volunteering in 18 countries.

Inputs / What's contributed?

112.6 M€
Invested
in social and environmental programmes

8.9 M
Articles
from our collections donated

338 k
Hours devoted
by employeed to CCI acivities during working hours

Outputs / What happens?

4.3 M
direct
Beneficiaries

476
Community organizations
supported

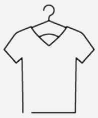
910
Initiatives
implemented

107.8 M€
Leverage **

2023 Corporate Community Investment

Increase in the investment

Collaboration beyond cash contributions



13%

increase in garment donations for social causes with respect to **2022**

8%

increase in employee time contributions with respect to **2022**

We have boosted our in-kind contributions, exceeding 8.9 million items donated over the course of 2023, as well as time contributions from employees during working hours, which reached 338k annual hours.

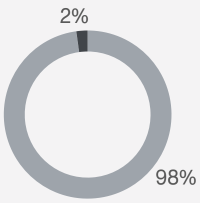
28%

increase in Corporate Community Investment (CCI) with respect to 2022.

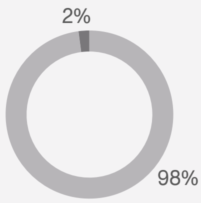
We have significantly increased our Corporate Community Investment, reaching 112.6 million euros.

Maximising the effectiveness of contributions

Focus on strategic community projects



2023



2022

Long-term strategic investment ■ Charitable gifts

For yet another year, we have focused investment in proactive strategic projects (community investment and commercial initiatives in the community), as opposed to charitable gifts for community organisations' general purposes.

98%

of contributions to strategic projects.

By adopting a strategic approach, we maximise the effectiveness and impact of our community programmes.

Alignment with SDGs and our corporate strategy

We focus our investment to increase impact

SDGs

88% of CCI is focused in initiatives primarily targeting SDGs 3, 4, 5, 8, 10, 12 and 15.

Issue addressed

79% of investment in the priority action areas defined by the Community Investment Policy: emergency relief, education and environment.

88%

of CCI focused in 7 SDGs.

79%

of CCI focused in 3 priority issues.

Increase in the scope

Increase in the number of direct beneficiaries

30%
People

In addition to the increase in the number of initiatives developed, in 2023, the community investment programme benefited 30% more people than in the previous year.

26%

increase in the number of CCI projects developed.

In 2023, 910 community projects have been developed, representing an increase of 26% compared to the previous year.

Increasing leverage

Maximising effectiveness in unlocking additional resources for community

In million euros

In 2023, the additional resources leveraged by our programmes as a result of the contributions made from sources other than the Company—employees, customers, suppliers, etc.—amounted to 107.8 million euros, which represents a 43% increase on the previous year.

43%

increase in additional funds raised or contributions leveraged from other sources.

Making greater impact

Maximising the impact on people

5,200,042 positive changes experienced by direct beneficiaries of CCI projects, who have gained in quality of life, skills development and improved attitude, compared to 3,535,872 in the previous year.

24%

increase in the number of positive impacts on direct beneficiaries.

7.3.2. Inputs

GRI 3-3; 203-1; 203-2; 413-1; 413-2; AF34

In 2023, our Company invested 112.6 million euros in Corporate Community Investments, in various ways:

/ **Cash contributions**: the aggregate monetary amount invested in supporting social and environmental programmes.

/ **Time contributions:** the proportional cost of our employees' paid time spent on social or environmental activities during working hours.

/ **In-kind contributions:** donations of products—garments, mainly—to non-profit organisations.

/ **Management costs:** estimated expenses incurred for the general management of the programmes.

In 2023, we have significantly increased monetary contributions. Additionally, in keeping with the strategy outlined in our Community Investment Policy, we have notably boosted in-kind and time contributions devoted by our employees to CCI initiatives during their working hours. Management costs meanwhile remained stable compared to previous years.

On aggregate, we have provided 62 million euros in cash contributions, we have donated **8.95** million articles from our collections and our employees have dedicated **338,940** of their working hours to social or environmental initiatives.

These contributions are further divided into three categories:

/ **Charitable gifts**: one-off institutional contributions to support the general goals of non-profit organisations.

/ **Community investment:** long-term strategic commitment to collaborations with the community to support specific activities.

/ **Commercial initiatives to the community:** initiatives of social interest directly related to the Company's activity.

It is worth noting that 98% of the total investment in 2023 was channelled to support initiatives that we consider strategic: community investment and commercial initiatives in the community.

This enabled us to maximise the efficacy of our contributions and to broaden the impact of key projects.

How we increase our contribution

Corporate Community Investment evolution (€ M)		
	2023	**2022**
Total investment in Corporate Community Investment	112.6	87.9
By form of contribution (management costs included)		
Cash	62.0	46.3
Time	10.2	9.4
In-kind	38.5	30.3
Management costs	2.0	1.9
By category (management costs excluded)		
Charitable gifts[1]	2.4	1.8
Community investment[2]	71.7	58.7
Commercial initiatives in the community[3]	36.6	25.5

(1) One-off institutional donations to the general goals of charities.

(2) Long-term strategic commitment to support specific social activities.

(3) Initiatives of social interest directly related to the Company's commercial activity.

The nature of our contributions

79% of our community investment was earmarked for priority **action areas**: education, emergency relief and environment.

With regard to the **geographic scope,** we prioritise regular investment in the areas in which we conduct our activity. Specially, in the so-called Inditex's clusters.

Accordingly, our brands and subsidiaries operate locally and/or nationally when it comes to supporting community and environmental projects. This allows us to maximise the positive impact within our communities.

Lastly, we have also identified the primary SDG (and the secondary SDG where applicable) relating to the initiatives we have implemented this year. This analysis tells us that, in keeping with our activity, the investment has significantly contributed to SDGs 8, 10, 12 and 15 and, in addition, to SDGs 3, 4 and 5. The 88% of our contributions were in support of initiatives with one or more of these SDGs as their main objectives.

ⓘ More information in section *8.3. Supplier relations* of this Report.

How we contribute

Distribution of Corporate Community Investment in 2023	
By issue addressed	
Emergency relief	41%
Environment	23%
Education	15%
Other (social welfare, health, economic development, art and culture)	21%
By geographic area	
Europe ex-Spain	24%
Spain	35%
Americas	21%
Asia and rest of the world	21%
By SDG	
SDG 3. Good health and well-being	7%
SDG 4. Quality education	7%
SDG 5. Gender equality	8%
SDG 8. Decent work and economic growth	10%
SDG 10. Reduced inequality	20%
SDG 12. Responsible consumption and production	25%
SDG 15. Life on land	11%
Others	12%

7.3.3. Outputs

GRI 3-3; 203-1; 413-1; 413-2

The 910 community and environmental initiatives we supported in 2023 have directly benefited more than **4.3** million people in a variety of different circumstances:

Who we help

Distribution of the people benefited by community projects in 2023 on the basis of their situation	
Living in developing countries	23%
Low income	31%
Refugees	20%
In situation of vulnerability	5%
Victims of a natural disaster or catastrophe	15%
People who are unemployed	1%
Other profiles[1]	5%

(1) 'Other profiles' refers to people with a disability or who are homeless, among other circumstances.

As for the **number of organisations** supported by Inditex in 2023, we have made contributions to a total of 476 such entities. In 2022 the number of benefiting community organisations was 469.

Furthermore, it is important to consider the **amount of additional investment leveraged:** the additional resources that our investment programmes have leveraged as a result of contributions by third parties —employees, customers, etc.

In 2023 this leveraged investment amounted to 107.8 million euros, raised mainly through the collaboration with Water.org -through the additional capital released by microfinance institutions-, the Moda Re-project -through the collection of garments-, and donations from our employees from their pay checks.

7.3.4. Impact

GRI 3-3; 203-1; 413-1; 413-2

To gauge the effectiveness of the projects we support, we measure the impact of our investments on both the community (direct beneficiaries and community-based organisations) and the Company (our employees and the company).

a) Community

Impact on people

In 2023 we assessed the impact generated on 4,059,696 people through our corporate community investment programme, as compared with 3,283,404 people in 2022.

To gauge the impact of these actions on their lives, we measure the degree to which people are better off as a result (impact depth) and what kind of changes they have experienced (type of impact).

Which degree of improvement have the people experienced?

We use three mutually exclusive parameters to measure this:

/ **Connection:** represents the number of people who have reported some limited change as a result of their participation in the project.

/ **Improvement:** includes the people who have reported some substantial improvement in their lives as a result of the project.

/ **Transformation:** encompasses the number of people who have reported an enduring change in their circumstances as a result of the improvements made.

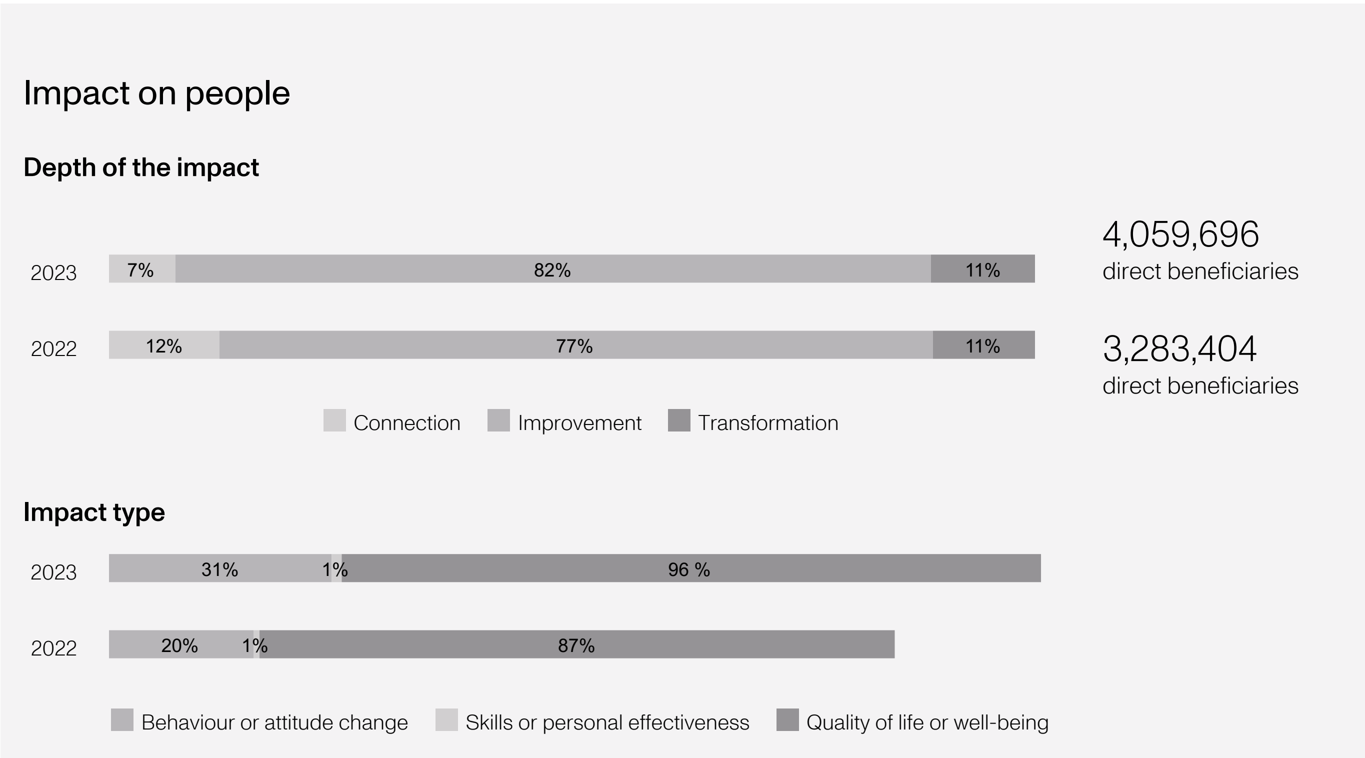
What kind of changes have they experienced?

Beneficiaries may experience one or more types of changes, which we classify into the following categories:

/ **Behaviour or attitude change:** when the activity has helped people make behavioural changes that can improve the person's life. It can also mean that the programme has challenged negative attitudes or preconceptions, enabling them to make better choices.

/ **Skills or personal effectiveness:** meaning that the initiative has helped people to develop new or improve existing abilities to develop academically, in the work place and socially.

/ **Quality of life or well-being:** meaning that the activity has helped people to be healthier or happier, by improving their physical, emotional or social well-being.



Impact on community-based organisations

In addition to the analysis of the impact on people, we also assess the effects on the beneficiary non-profit organisations. In 2023, the analysis covered a total of 275 entities (255 in 2022).

b) Company

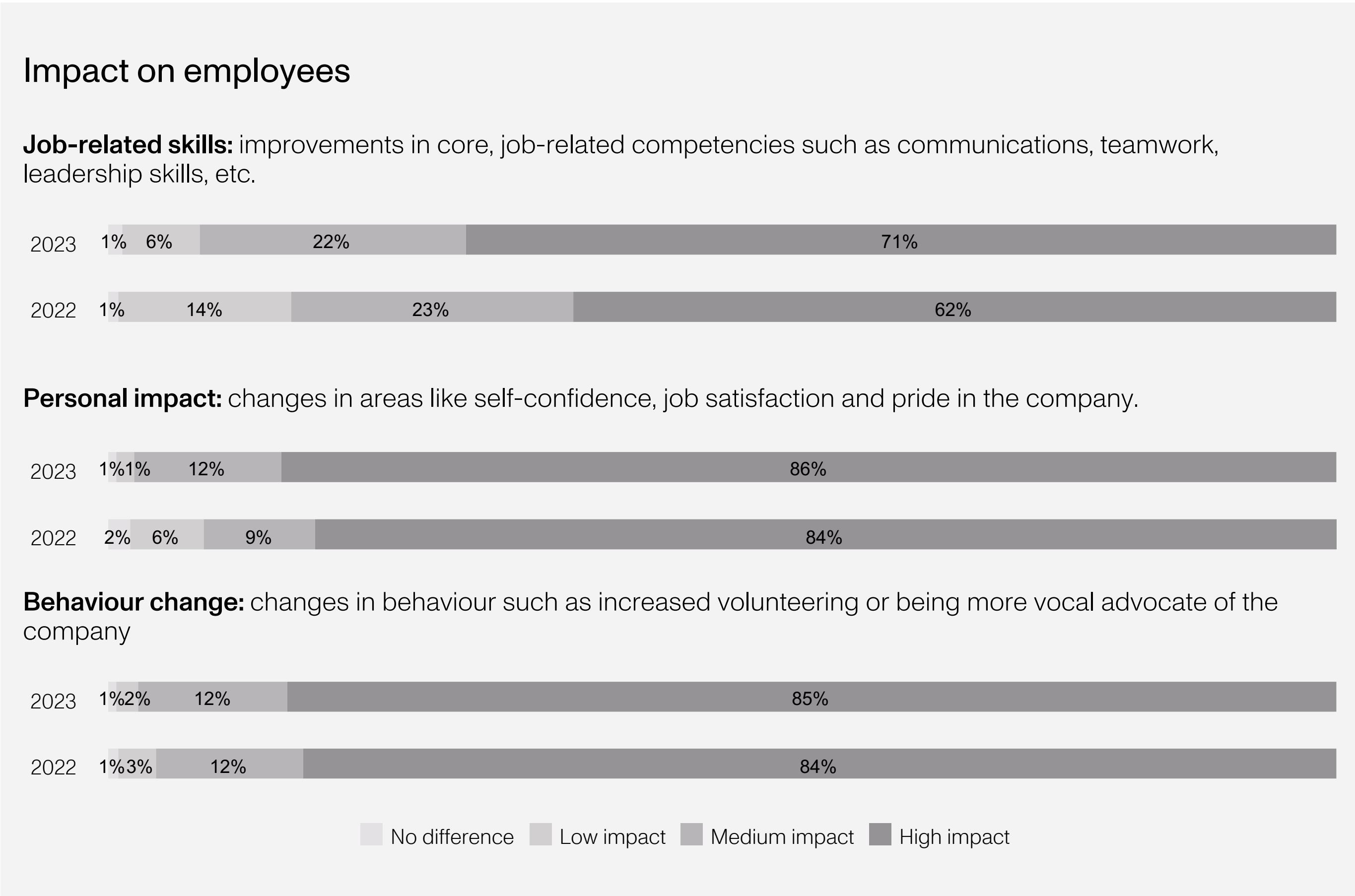
In addition to assessing the impact of the investment on people and community organisations we also analyse the return on the investment for our employees and the Company itself.

Impact on employees

We measure the impact on our people by gauging the change they experience following their involvement in corporate volunteering initiatives. To do this, in 2023 we surveyed 225 employees in 18 countries, as compared with 181 employees in 16 countries in 2022.

The surveys were based on three key indicators:

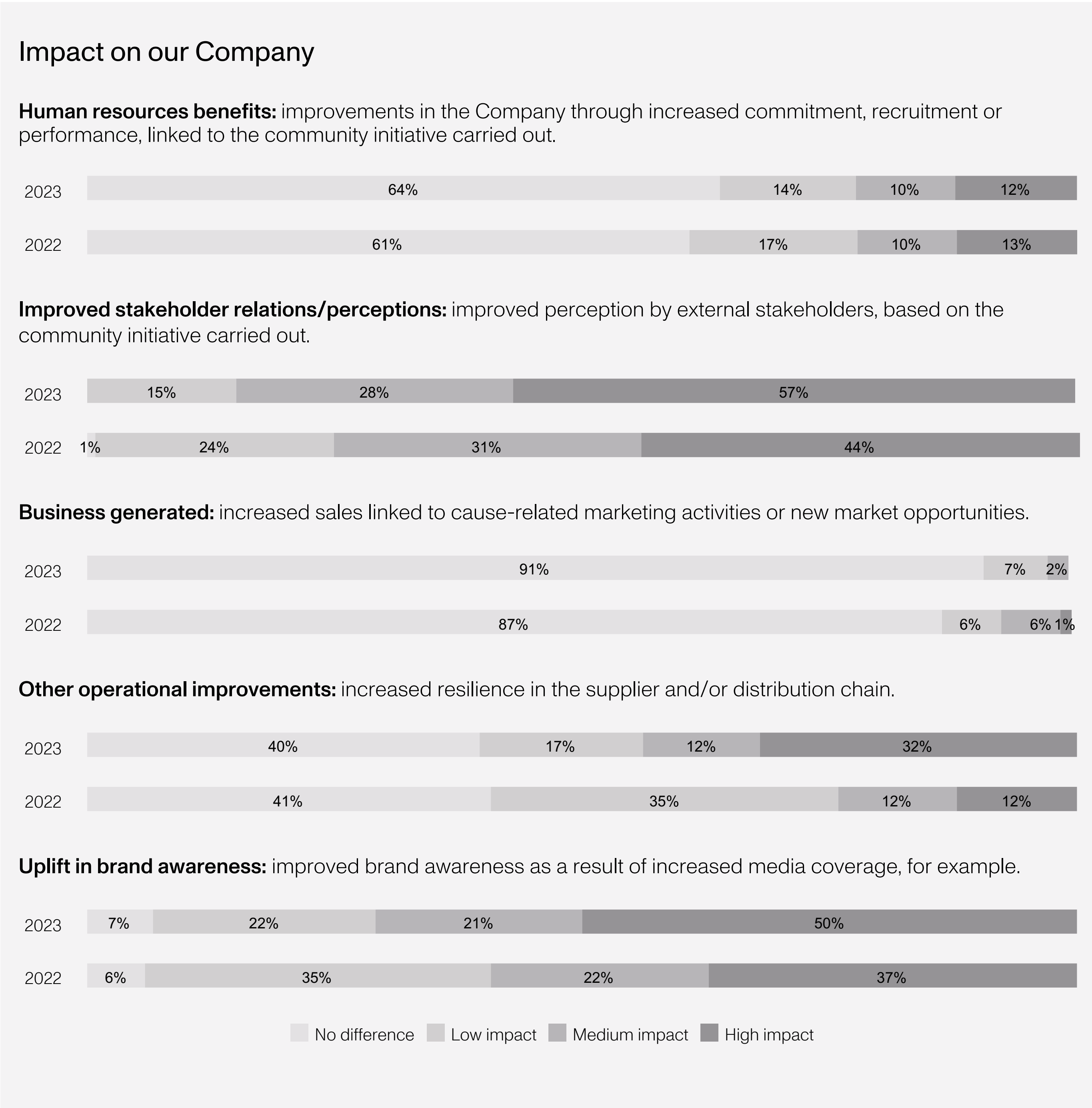
/ Job-related skills.
/ Personal impact.
/ Behaviour change.



Impact on our Company

In 2023 we analysed the impact on the Company itself of the 910 initiatives implemented, based on five parameters:

/ Human resources benefits.
/ Improved stakeholder relations/perceptions.
/ Business generated.
/ Other operational improvements
/ Uplift in brand awareness



7.3.5. Key programmes

GRI 3-3; 203-2; 413-1; 413-2

Education

GO (Generating Opportunities: education and inclusion for a sustainable world)

GO is a cooperation programme in collaboration with Entreculturas aimed at offering education and professional training to persons at risk of exclusion. This is a new three-year programme, with 24 projects in 12 countries: Argentina, Brazil, Bolivia, Ecuador, Spain, Lebanon, Mexico, Paraguay, Peru, South Africa, Uruguay and Venezuela. 2023 was the programme's first year, in which it helped more than 59,536 direct beneficiaries, in particular vulnerable girls and women. Through various projects, we have contributed to bridging the education and digital divide, nurturing decent and sustainable livelihoods and protecting victims of forced migration. Since 2001, Inditex's social investment in Entreculturas' educational and community development projects has exceeded 64 million euros and has directly benefited 1.5 million people.

Inditex Chair of Refugees and Forced Migrants in the Comillas Pontifical University

This chair was created in 2016 to further academic research into migration, improve aid to migrants and refugees on the ground and raise social awareness. It also conducts projects for the integration of refugees in European cities.

In 2023**, we renewed our collaboration with the Comillas Pontifical University for the period 2023-2025**, with the aim of continuing to promote doctoral scholarships for researchers to study the reality of the processes of incorporation, welcoming and, in particular, social integration of refugees in Spain and Europe. The Chair also offers students of the official Cooperation and Migration programmes at Comillas Pontifical University professional internships at national and international organisations working directly with refugees.

TEMPE-APSA Chair of Disability and Employability at Miguel Hernández University in Elche

We helped to create this Chair in 2015 to nurture multi-disciplinary research and training in the field of disabilities. Legal experts, economists and psychologists study the most suitable formulae for increasing the employability of people with disabilities. Furthermore, the Diploma in Auxiliary Shop Tasks strengthens the skills and competencies of people with disabilities to access the labour market.

Inditex Chair of Spanish Language and Culture at the University of Dhaka (Bangladesh)

With the collaboration of the universities of Santiago de Compostela and A Coruña, this Chair has been promoting Spanish language and culture and fostering academic exchange between Spain and Bangladesh since 2011. High-performing Bangladeshi students have the opportunity to take part in intensive Spanish courses in Spain. At the same time, cultural activities open to Bangladeshi University students are carried out to promote Spanish culture in Dhaka.

Collaboration programme with Tsinghua University

In 2019, Tsinghua University and Inditex set up the Sustainable Development Fund, aimed at supporting this Chinese institution in its efforts to promote research, dissemination and social support for Sustainable Development Practices. So far, the fund has sponsored 34 projects linked to environmental protection and management, low-carbon cities and sustainable development, smart sustainability, ESG corporate management/low-carbon transformation and sustainable energy and green growth. Looking ahead to the future, with Inditex's financial backing, the Fund will continue to support the innovative research and practice of students and faculty at the University of Tsinghua in connection with the environment and sustainable development, to promote research, dissemination and social support for Sustainable Development Practices.

The collaboration programme also involves research trips to A Coruña for the university's students to broaden their knowledge and experience in fashion, logistics, environmental protection and sustainable development through Inditex and other companies. The collaboration also envisages the professional development of academic staff and the promotion of cultural activities in the Tsinghua campus.

Collaboration programme with the Massachusetts Institute of Technology (MIT)

The collaboration with MIT in education and research is structured around various action areas: creating Inditex chairs in areas such as operational research and sustainability; research and enhancement of knowledge in fields such as artificial intelligence, machine learning or data science; and the development of research lines in areas such as textile recycling or the creation of new fibres using sustainable technologies.

Collaboration programme with the University of A Coruña (UDC)

The following projects are executed under this programme: Inditex-UDC Sustainability Chair to promote a space for community reflection, academic training and applied research on sustainability and social innovation; InTalent Programme that enables scientists with extensive international experience to conduct their innovation programmes at UDC's research centres; and InMotion Grant Programme to fund pre-doctoral residencies abroad, enabling them to complete their PhDs internationally.

In 2023, we reinforced our support for InMotion by renewing the programme for the next five years. Since its launch in 2013, 274 students from UDC PhD programmes have completed placements abroad thanks to Inditex's support. Their chosen destinations cover a total of 33 countries, distributed over five continents, mainly Europe and America.

Employment and Training Programme in Spain

Inditex has been supporting the Caritas Employment Programme since 2011, whose aim is to promote access to decent employment for persons in a situation of vulnerability. This initiative, to which we have contributed 18.3 million euros since the collaboration began, is structured around various lines of action: promotion of social economy enterprises; support for self-employment; and the improvement of professional training. Thanks to this programme, extended in January 2023 with a contribution of 5 million euros for the next three years, 10,594 people in or at risk of exclusion have improved their employability and 4,332 people have found a job.

FAD Juventud Programme

In 2023, Inditex and the non-profit organization FAD Juventud started a three-year cooperation that materialises in the development of the "GOESkills" and "Prevención a Medida" projects. These initiatives aim to provide quality employment for women in Spain, in professions with future prospects in the field of technology, and to carry out awareness-raising activities for young people on addiction prevention. As a result of this collaboration, 1,700 people have participated in initial diagnoses on addiction prevention or have improved their job search skills.

for&from

for&from is a social/workplace integration programme for people with disabilities that is based on launching retail establishments under the image of the Inditex's different brands. These stores are managed by non-profit organisations and staffed by people with disabilities. Inditex makes an initial outlay to build the store and, from then on, the community organisations manage a self-sustaining model through the sale of products from previous seasons. The proceeds go entirely to the managing organisations to fund projects that help people with disabilities. The programme currently has 16 stores, including the openings in 2023 of the first Zara Home for&from store in Portugal and the new Tempe for&from store in Madrid, which have created job opportunities for more than 750 personas and 8 million euros in economic benefits for the managing organizations.

Salta

Salta is an employment integration programme of Inditex that offers training and employment opportunities to people at risk or in a situation of social exclusion. The aim is to integrate vulnerable persons in the teams of our stores, factories or logistics centres. More than 1,800 people have been trained and joined Inditex through Salta. The programme currently operates in 16 markets: Germany, Brazil, South Korea, Spain, the United States, France, Greece, India, Italy, Kazakhstan, Mexico, Poland, Portugal, the United Kingdom, Romania and Türkiye.

Emergency relief

Emergency programmes in the wake of the earthquakes in Türkiye and Syria

In response to the earthquakes that hit Türkiye and Syria in February 2023, Inditex launched an emergency relief programme aimed at supporting those affected. This programme has resulted in the following lines of action:

/ Economic contribution: donation of 3 million euros from Inditex to the Turkish Red Crescent to cover short-term basic needs.

/ In-kind contributions by Inditex to supply warm clothing to those affected: Inditex, with the support of its local suppliers, made available to the Red Crescent and AFAD/TIM (the Turkish Disaster and Emergency Management Authority, in collaboration with the exporters association), more than 1 million warm garments and articles from Zara Home.

/ Medical aid: deployment of the Emergency Unit of Médecins Sans Frontières, financed on a stable basis by Inditex, in Türkiye and Syria to detect the medical needs arising from the catastrophe and thus deploy its resources to provide aid to the people affected.

/ Support for supply chain workers: acquisition and deployment of 200 temporary homes to house textile factory and supply chain workers (and their families) whose homes were lost in the earthquake. This initiative, implemented through an agreement with ITKIB (Istanbul Textile and Apparel Exporter Associations), was rolled out in the industrial areas of Kahramanmaraş, Adıyaman, Malatya and Hatay.

Earthquake Emergency Programme in Morocco:

In the aftermath of the Morocco earthquake in September, Inditex activated an emergency relief programme to address the urgent basic needs of the people affected by the quake. This programme has resulted in the following lines of action:

/ Economic contribution: donation of 3 million euros to the Moroccan Red Crescent to cover short-term basic needs.

/ In-kind contributions by Inditex to supply warm clothing to those affected through the Association *Elghaith*.

/ Medical assistance: supply of healthcare in collaboration with the NGO Medicus Mundi, funded on a stable basis in Morocco by Inditex, with the aim of providing medical care to victims, distributing hygiene kits to women affected and giving those affected psychological support.

Hurricane Otis Emergency Relief Programme in Mexico:

In the wake of Hurricane Otis, which hit the Mexican coast in and around Acapulco in October, Inditex launched an emergency relief programme in collaboration with the Mexican Red Cross to meet the basis needs of those affected. Specifically, under this programme, activities included the distribution of basic grain packages to recover part of the damaged crops; the supply of basic healthcare materials; the supply of materials to guarantee adequate water storage by installing rainwater collection systems; and the renovation of some schools in the path of the hurricane, with the aim of guaranteeing a safe return to the classroom.

MSF Programme

Médecins Sans Frontières (MSF) and Inditex have been working together since 2008 in developing numerous medical-humanitarian response projects in various parts of the world. As a result of this cooperation, to which Inditex has channelled 37 million euros over this period, nine million people threatened by armed conflict, epidemics, diseases or natural disasters have received medical care.

Supporting the MSF Emergency Unit

In 2011 we began collaborating with MSF with the aim of guaranteeing an immediate response to medical-humanitarian crises anywhere in the world. Since then we have helped provide assistance to more than seven million vulnerable people without access to medical care in around 86 countries. In 2023, we funded the Barcelona-based Emergency Unit structure, which has been deployed in Sudan, Chad, Ukraine and Palestine, among other regions, as well as part of the regional emergency teams based in the Democratic Republic of Congo and the Central African Republic.

Access to healthcare for the Rohingya community in Bangladesh

In response to the medical and humanitarian needs of the Rohingya community in Bangladesh, Inditex has been supporting Médecins Sans Frontières' projects there since 2017. Hundreds of thousands of people have been helped through this cooperation, especially women and children under five. In particular, thanks to the support in 2023, MSF teams have carried out, among other activities, outpatient clinics (paediatrics, gynaecology, obstetrics, mental health), paediatric emergencies, paediatric hospitalisation, nutrition and paediatric intensive care. Furthermore, drinking water and sanitation infrastructure management for refugee camps was improved.

Access to healthcare for the migrant population crossing Mexico

Inditex supports MSF in humanitarian relief projects to assist people from Central America attempting to cross Mexico to gain entry into the United States. Specifically, in 2023 and thanks to Inditex's support, Médecins Sans Frontières is present in several hostels and stopover points for migrants along the way, offering basic medical and psychological care. Furthermore, MSF has mobile clinics that go to the areas most frequented by migrants where, in addition to medical and psychological care, they also distribute hygiene products, water and blankets. The organisation also has a Comprehensive Care Centre in Mexico City where specialised medical care is offered to migrants and refugees.

UNHCR Programme

For the fourth year running, Inditex and UNHCR, the United Nations High Commissioner for Refugees, implemented their ambitious programme of in-kind donations to help clothe refugees and internally displaced people. Through this initiative, which is rolled out in conjunction with various suppliers, Inditex supports UNHCR in its task of sheltering refugees who have been forced to abandon their homes and all their possessions, and helping to restore their dignity. In 2023 more than 1.2 million articles from our collections were donated to UNHCR to help clothe refugees in Uganda and Greece, among other countries. Humanitarian emergency assistance was also provided in response to the war in Ukraine. Additionally, in 2023 we welcomed Filippo Grandi, United Nations High Commissioner For Refugees, on an official visit to our offices to highlight our partnership and share the present and future challenges facing refugees.

Assistance to displaced people in South America

Since 2009 we have been working with Entreculturas on a programme to tackle the situation of people forced to flee in Colombia and on its borders (Panama, Ecuador and Venezuela), due to the armed conflict which over this period has caused the exodus of millions of Colombians from the region. For this purpose we established a partnership with the Jesuit Refugee Service Latin America and the Caribbean (JRS LAC), which has helped around 110,000 refugees or displaced persons, especially young people at risk of being linked to, used or forcibly recruited by armed groups, as well as refugees and displaced persons with disabilities, ethnic minorities, black and indigenous communities and women-headed households with children. In 2023, given the humanitarian situation as a result of the current context in Venezuela, the programme focused on assisting displaced persons in that country, as well as in Colombia, Ecuador and Brazil.

A Flote

The Emalcsa Foundation, A Coruña City Council and Inditex have been working together since 2017 in the A Flote social integration and social benefits programme in the proximity of Inditex's main headquarters. In 2023, 372 emergency social benefits were handled, 277 requested by women and 95 by men. These emergency benefits were used mainly for help with housing, school meals and sheltering aid for Ukrainian refugees. In addition, a welcome service for Ukrainian refugees (translation, counselling, employment support, etc.) was set up, helping dozens of families. Renewal of the agreement for the 2023-2025 period enabled us to tackle new integration and support actions to address vulnerability, aimed mainly at young people with significant difficulties in finding employment, and to provide social support and emotional tools with a community approach to young people and adolescents engaged in mild or moderate self-harming.

Every Mother Counts Programme

This programme supplies prenatal and maternity care to pregnant women in Bangladesh and the United States. The support of Inditex has enabled Every Mother Counts to partner with the HOPE Foundation for Women and Children in the south-eastern Bangladeshi district of Cox's Bazar. In the United States, it has also provided access to prenatal and post-partum care for thousands of low-income women at risk of social exclusion and their babies. In 2023, we renewed our collaboration with Every Mother Counts for the 2023-2025 period, with the aim of further developing maternal and paediatric health activities in various parts of the world.

Medicus Mundi Programme

Medicus Mundi and Inditex have been working together in Morocco since 2015 to improve the well-being of garment workers in the Tangier-Fes-Guercif-Taza and Casablanca-Settat regions. The new phase of collaboration between Medicus Mundi and Inditex, which began in 2022, is making strides in the implementation of measures to prevent harassment, as well as to continue promoting health and occupational risk prevention among female workers in the industry, improving the socio-occupational integration of vulnerable groups and supporting the local public healthcare system. In September 2023, the programme also carried out various activities to help victims of the earthquake that hit the Marrakesh region, providing health and psychological care and strengthening the capacity for intervention of civilian society in the affected areas.

Environment

Moda Re-

Moda Re- is a programme run by Caritas and promoted by Inditex dedicated to collecting used textiles in order to recover and reuse them through a sustainable business model based on the circular economy. Its purpose is to generate employment for vulnerable people through the collection, recycling, and reuse of used garments. Thanks to Inditex's support for this initiative, 2.6 million articles have been donated to vulnerable people; 3,520 sensor-equipped clothing collection containers of used garments have been installed in Spain, more than 121,000 tonnes of clothing have been collected, and 108 second-hand clothing stores have been opened or refurbished. The programme currently generates more than 1,400 jobs, 700 of them the result of insertion initiatives. Likewise, the initiative has become a benchmark in the process of dignifying the free delivery of clothes to those most in need, based on donations made through the 142 solidarity stores that currently make up the Moda Re- network. In January 2023, Inditex renewed its support for this programme on the basis of a contribution of 3.5 million euros in the 2023-2025 period.

Water.org programme

We have been working with Water.org since 2015 to improve access to drinking water and sanitation for vulnerable families through microloans in countries such as Bangladesh, Cambodia or India. Thereby, people on low incomes are provided with access to affordable loans to cover their water and sanitation needs. In 2023, from the contribution made by Inditex and the additional capital mobilised by local financial institutions, 305,000 loans were granted. As a result, more than 1 million people have improved their access to water and sanitation in 2023.

#BRINGYOUROWNBAG (#TRAETUBOLSA)

In 2021, Inditex began promoting the use of reusable bags at its stores to reduce the consumption of raw materials, water and energy associated with bags and envelopes offered to customers for their purchases. To encourage customers to bring their own bags, Inditex also started charging for the bags and envelopes it provides, a measure that was extended in 2023 to most of the markets where it operates.

The proceeds from this initiative, from which Inditex does not obtain any profit, were used to support projects in 21 countries aimed at protecting and restoring ecosystems, saving natural resources and fostering regenerative practices.

WWF Programme

By means of the collaboration with WWF, with which Inditex also carries out transformational work focusing on the impacts of its activity and of the fashion industry, we have financed projects for the protection and restoration of forest and fresh water ecosystemsin different countries in North Africa, Europe, Asia and Latin America. These interventions take the form of actions such as the recovery of native species and removal of invasive species; the promotion of sustainable management, environmental education and training; and the involvement of local communities.

Water & Climate Fund by Water.org

We continue to support Water.org's Water & Climate Fund, aimed at developing projects to improve water and sanitation infrastructure globally, boosting efficiency and savings, and enhancing local communities' access to clean water. With Inditex's support for this fund, in 2023 Water.org carried out climate-friendly interventions in Brazil, Indonesia, the Philippines, Kenya, Mexico, India and Malawi.

Agreement on fire prevention in Galicia

Inditex was the first company to join the new public-private fund to mitigate the risk of forest fires, set up by the Galicia Regional Government in 2023. This project, aimed at intervening in the areas most affected by wildfires in Galicia (Spain), will work on the restoration of affected areas, but mainly on prevention, including the creation of fire breaks in the vegetation and tree mass, preventive forestry management and species diversification, while also promoting sustainable farming and forestry activities to support the local population.

Sustainable Forestry and Demonstration Forests

In 2023, forest restoration and demonstration forest activities, which we started in 2018 with the one in Pico Sacro, extended to two new forests in Galicia (Spain), together with the Galician Forestry Association, and two in Portugal, alongside Forestis. These projects employ forestry management models aimed at improving the resilience and sustainability of these forest ecosystems, through the use of native species, supporting research and dissemination of best practices in this regard.

Fostering regenerative practices in the fashion industry

In 2023 we gave renewed impetus to our commitment to regenerative practices through our membership of Conservation International's Regenerative Fund for Nature, focused on the transition to regenerative practices, for the benefit of biodiversity and communities, in production areas connected to materials used in the fashion world. In 2023, this support was channelled to cotton projects in India and Pakistan, and a project to promote regenerative cattle grazing in Argentina. We also continued our collaboration with Action for Social Advancement (ASA), the Laudes Foundation, IDH - The Sustainable Trade Initiative and WWF India, to promote regenerative agriculture, ecosystem restoration and community well-being in a 300,000 hectare area in the Indian states of Madhya Pradesh and Odisha.

Other issues addressed

In addition to the programmes described above, in 2023 we allocated 21% of our corporate community investment to initiatives linked to social welfare, environment, social and economic development, healthcare, art and culture.

Likewise, in 2023 we have continued to support research institutions such as *Fundación Pro CNIC, Real Instituto Elcano and Fundación Carolina*, among others. Inditex's links to art and culture are embodied by collaborations with institutions such as the Royal Spanish Academy, Reina Sofía National Museum of Art and the Royal Theatre opera house, among others.

Likewise, Inditex makes charitable gifts at corporate level and from the Group brands and subsidiaries to help further the general aims of non-profit organisations. We earmarked 2.39 million euros in 2023 for charitable gifts in connection with requests from non-profit organisations, which were distributed among more than 150 entities.

7.4. Our customers

Material topic: Transparency and quality of the information; Health, safety and well-being

7.4.1. A unique and integrated model

GRI 3-3; 417-1

Customer relations and the continuous improvement of their experience at our stores and online platforms are among the pillars of the Inditex model. This contact before, during and after sales is unique and integrated through different channels.

In this relationship, demand for fashion with a responsible approach is subject to the same premises, namely omnichannel and integration of physical and online points of sale, at all the Group's brands. Accordingly, providing a response that matches customers' requirements at the right time and place constitutes what we consider to be a differential shopping experience.

More than 700 designers work side by side with the sales and product teams to identify trends, analysing on a daily basis the qualitative and quantitative information gleaned from our stores and online channels.

The conceptualisation and development of the collections for each of the brands, as well as their distribution to the point of sale, is an agile process based on decisions reached by consensus. This is also helped by a policy of integration at every stage of our value chain —design, manufacturing, logistics and distribution, stores/online, use and end of life— and their proper and accurate operation.

The final step in this creative flow prior to contact with customers is the creative production of these collections at the point of sale -both in stores and online-. It is here, with the aim of maximising the possibilities of our collections, that the image and coordination teams come into play, proposing the garments' styling and defining their creative production in a choral process involving stylists, models, photographers and audiovisual producers.

The other facet of the creative production of our collections is the design and development of the store concept and its tailoring to the specific characteristics of the various building and retail premises where they are located.

This approach responds to a common premise of continuous improvement of retail spaces encompassing unique, innovative and accessible stores, in which technology allows customers to interact with the brand at any time and from any device, as well as increasing the availability of collections and products. At the same time, the technologies that stores place at the service of customers adapt to the specific characteristics and needs of each brand.

Stand-out examples of this paradigm are the new store concepts implemented by Inditex brands throughout the year in new openings, refurbishments and expansions worldwide: from Zara, with its boutique spaces, self-checkout cash registers and smart terminals for online orders and returns; to Massimo Dutti, with its Style Advisor personalised shopping experience and Shop&Go, for payment from anywhere inside the store; including Bershka's virtual fitting rooms using augmented reality and the possibility of creating personalised content for social media, among numerous other examples. With its experiential technology component, Inditex brands' stores and online platform is aimed at fostering contact with fashion in an innovative and welcoming environment that boosts the availability of collections and makes for a more direct relationship with customers when, how and wherever they choose.

Providing a response that matches customers' requirements at the right time and place constitutes what we consider to be a differential shopping experience.

At the same time, our integrated and global platform of physical and online stores allows our collections to reach more than 210 markets. This capacity makes us mindful of the impact and notoriety of our products and the image they convey. It also encourages us to ensure that the image of the models and campaigns we produce convey a diverse, multicultural and positive reality that celebrates the product by presenting it in a detailed way that is true to its properties and qualities.

In this regard, our brands' websites are the other major setting—along with the stores—for the creative production of our collections. In 2023, the Inditex website received more than 6,500 million visits, implying an average of 18 million visits a day to our online stores and accumulated more than 250 million followers on social networks.

Our commitment to customers is not confined to the sales transaction and any derivative requirements, but rather extends to spheres such as diversity, sustainability and transparency. Consequently, content regarding our projects and progress in environmental and social sustainability has its own dedicated space and prominence in our online stores. In addition, projects like Changemakers and Diversity Champions, or the for&from network of community stores managed by people with disabilities, are aimed at achieving a positive impact for our people and our customers alike.

ⓘ More information in section *7.1. Our people* of this Report.

7.4.2. Response to our customers

GRI 3-3; 417-1

Inditex has a relationship with customers from more than 210 markets worldwide. Thanks to the multiple options for contact offered by our physical and online stores, we endeavour to make this relationship close, seamless, effective and safe. Accordingly, our customer services teams receive continuous training on product knowledge, their sustainability features, store processes, customer orientation and respect for diversity and inclusion, among other aspects. Furthermore, customer services are provided in the languages of the markets in which we have a retail presence.

Accessibility is another premise of Inditex in our relationship with the customer. Hence, stores meet architectural accessibility standards to enable people with disabilities to access and move around the stores and to ensure they have a satisfactory shopping experience. In the digital environment, our websites are compliant with the General Accessible Design Principles established by the Web Accessibility Initiative (WAI), a part of the World Wide Web Consortium (W3C). In addition, thanks to the project in conjunction with EqualWeb, their home pages feature digital accessibility menus with voice, browsing, colour and content settings to ensure a more inclusive customer experience.

In 2023, the quality of customer services at five Inditex brands (Pull&Bear, Massimo Dutti, Bershka, Oysho and Zara Home) obtained certification to ISO 18295:2 international standard. This certification underpins the customer service strategy throughout their shopping experience and interaction with each brand, the operations and protocols for customer service through the various contact channels, as well as the standards of service quality and satisfaction of our customers.

7.4.2.1. Big Store: customer service from the store

The continuous improvement of our customer relations from an innovation standpoint led Inditex to launch Big Store, a project that harnesses our store teams' experience and know-how for use in digital tasks relating to the business.

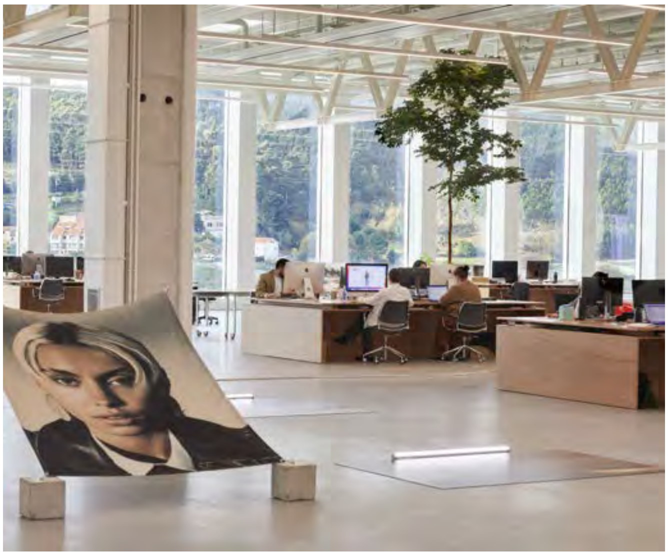
The store teams taking part in Big Store are trained in the digital version of their in-store functions and they develop them over the course of their working day. Thus, sales assistants take part in managing the customer service channels (calls, chats, WhatsApp, social media and e-mails) during their working hours dedicated to Big Store, using their know-how and experience from in-person customer service for the purpose of these digital tasks. This way of working, which also fosters our teams' professional development, makes for a more efficient management of customer services and relations.

7.4.3. Customer service channels: contacts and service level

GRI 2-4; 2-27; 3-3; 403-7; 416-1; 416-2; 417-1

In 2023 the customer service areas of the Group's brands fielded a total of 45,443,721 customer contacts (calls, e-mails, WhatsApp conversations and messages via social media profiles), concerning questions on products, the purchasing process, shipments, incidents or current issues affecting the brands, among other matters. In this regard, the progression of online sales has shifted the weight of customer contacts according to the purchase channel, so that enquiries about order status, delivery times or the online operation itself make up a very significant part of the total.

Service level (meaning the percentage of contacts resolved over the total and weighted in accordance with the contacts of each brand) was 98% in 2023.



Response to our customers

	2023			2022 (1)		
	No. of contacts	**Service Level**	**No. of services fulfilled**	**No. of contacts**	**Service Level**	**No. of services fulfilled**
ZARA	33,880,077	98%	33,226,717	30,912,182	98%	30,255,700
ZARA HOME	2,125,901	98%	2,080,181	2,210,179	98%	2,172,645
PULL&BEAR	2,017,911	96%	1,938,711	2,009,604	98%	1,960,396
Massimo Dutti	2,609,950	99%	2,591,799	3,085,342	99%	3,049,565
BERSHKA	2,486,545	94%	2,341,947	2,577,340	98%	2,520,885
STRADIVARIUS	2,432,427	98%	2,384,001	2,280,492	97%	2,223,326
OYSHO	893,573	99%	880,365	842,844	99%	833,635
TOTAL	**46,446,384**	**98%**	**45,443,721**	**39,768,580**	**98%**	**38,866,749**

(1) Zara's data on contacts, services fulfilled and level of service reported in 2022 have been restated to take into account the improvement in the quality of the information reported. The modification also affects the Inditex Group's global data on contacts, level of service and services attended.

7.4.3.1. Type of cases handled: pre-purchase, post-purchase, customer service and complaints mechanisms

In the relationship with the customer before, during and after the transaction takes place, our teams field a wide range of queries related to our products, the purchase process or possible incidents that may occur. In this process, each brand independently sorts the reasons for customer contacts, according to their specific needs, although these reasons may be grouped into four broad areas: pre-purchase (issues prior to the purchase); post-purchase (related to an order or purchase at the store); customer service (regarding contact channels, web and app); and complaints and claims.

In 2023, our brands handled 38 million cases through Customer Services in all the markets where we have a commercial presence (29 million in 2022). This data also includes the complaint forms and claims processed in Spain through the official consumer complaint and response mechanisms.

In 2023 a total of 5,840[65] cases were processed (6,289 claims handled in Spain in 2022). The main reason for these complaint forms is related to product returns and exchanges, and store and online sales.

Type of cases handled	2023	2022
Pre-purchase (product availability, special collections, customisation, purchasing process, checkout and sustainability, among others)	19.5%	22.7%
Post-purchase (order status, shipments, delivery times, changes and returns, gift cards, among others)	76.4%	72.3%
Customer Service (customer account, web/app, channels, social networks, among others)	4.1%	4.8%
Complaints (includes any customer feedback, as well as formal complaints)	0.02%	0.2%

7.4.3.2. Health and safety claims

The health and safety of our products is paramount to Inditex. Accordingly, we have standards, training plans and prevention and control programmes devised to ensure that our products comply with the strictest requirements and guidelines in all the markets where we operate.

Our product health and safety teams are fully coordinated with customer service teams, store staff and any other area of the Company where information about incidents and/or complaints may be received. At the same time, any notification from our customers, from community organisations or supervisory bodies is forwarded to our technical experts for evaluation and follow-up. If there are signs that a product may be unsafe for consumers, it is withdrawn from the market, customers are notified through the relevant channels and all units sold are recalled, according to our internal procedure.

In 2023, one product was recalled[66] for health and safety reasons. When this happens, we also launch programmes to identify the root cause of the incident and prevent it from recurring. In the previous year there were a total of two product recalls.

ⓘ More information in section *6.4.3. Health and safety of products* of this Report.

[65] Thanks to the digitalisation project, complaints form data will be reported from 2023 on a financial year basis.
[66] During 2023 there were no breaches of regulations or voluntary codes related to the health and safety of our products that give rise to fines or penalties.

8

Governance

8.1. Corporate ethical culture and solid Compliance architecture

Material topic: Good governance and integrity

8.1.1. Corporate ethical culture

GRI 2-9; 3-3; 205-1; AF1; AF7

Compliance.
The
how
matters

The Inditex Group places importance not only on achieving its objectives, but also on the way in which they are achieved. This idea is the guiding thread of the Group's **corporate ethical culture** and its reflected in **'The How Matters'**.

This vision is represented in the principles of action set out in our Codes of Conduct (the Code of Conduct and the Code of Conduct for Manufacturers and Suppliers), based on respect for human and labour rights in all our operations and relationships with our Stakeholders.

To encourage and reinforce the implementation of a corporate ethical culture, the Inditex Group has, among other tools, a Global Compliance Model, which we detail in section *8.1.2. Global Compliance Model and Criminal Risk Prevention Model*.

Code of Conduct

The Inditex Group's **Code of Conduct** is the document that establishes the Group's ethical commitments and principles of action that should guide relations between people in the Group and the relations between them and the various stakeholders anywhere in the world, such as customers, suppliers, shareholders and the communities in which we operate.

The Code is **mandatory** for all employees, including Senior Management, and the members of the management bodies of the companies that make up the Group.

The Code of Conduct establishes the following **principles of action** as a guide to professional decision-making:

/ **Respect:** for the rest of the workforce and for our customers, supplying companies and business partners, for the communities in which we operate and for the environment.

/ **Honesty and Integrity**: in all decisions, actions and operations that we carry out in our day-to-day work.

/ **Transparency**: ensuring that there is open communication and dialogue with Stakeholders.

/ **Responsibility**: compliance with legislation, the Group's internal regulations and respecting and promoting both human rights and the voluntary commitments undertaken by the Company.

During financial year 2023, we completed the review and update process of the former 'Code of Conduct and Responsible Practices' approved in 2012, which was initiated in the previous year.

One of the aims of this review process has been to ensure that the Code of Conduct reflects the corporate ethical culture and the commitments undertaken by Inditex in different spheres; responds to the new regulatory realities and challenges faced by the Company; and reflects the diversity, global nature and multiculturalism of Inditex Group.

The review process included an analysis of the legislation, the best practices and the sensitivity of the different markets. To this end, a group of employees of different profiles and nationalities, as well as a very representative number of departments and corporate areas have collaborated. The text has been reviewed with all markets in which the Inditex Group has subsidiaries, with external advisors from multiple jurisdictions and with the Inditex's Social Advisory Board, as the main liaison with the Group's various stakeholders. In addition, as part of this process, the European Works Council was informed.

During the year, work was also done on the design of the Code acceptance plan, as well as the communication and training campaign that will involve everyone on the Group, including Senior Management and the members of the Board of Directors.

The review process culminated on 6 February 2024, with the approval of the latest version of the Code of Conduct by the Board of Directors, following the presentation of a report by the relevant Board Committees. Subsequently, an ambitious communication and training campaign has been launched, which will run throughout the year 2024.

For the main purpose of compliance with the applicable anti-corruption regulations, as well as the best practices in France and Portugal, this markets have supplementary annexes to the Code of Conduct that address certain local implementation issues.

Code of Conduct for Manufacturers and Suppliers

This Code defines **minimum standards of ethical and responsible behaviour** that must be observed by all of the Group's **manufacturers and suppliers** across the supply chain, in accordance with Inditex Group's corporate ethical culture, firmly grounded on respect for human rights and sustainability.

It applies to all manufacturers and suppliers involved in the raw material procurement, purchasing, manufacturing and finishing of the products that the Group places on the market, and it promotes and is based on the overarching principles that define the ethical conduct of Inditex described above. Compliance with all the standards and principles of action provided in the Code of Conduct for Manufacturers and Suppliers is a prerequisite for a supplier or manufacturer to form part of Inditex's supply chain.

ⓘ More information in section 8.3. Supplier relations of this Report and in the 'Ethical Commitment' section of our corporate website.

8.1.2. Global Compliance Model and Criminal Risk Prevention Model

GRI 2-4; 2-9; 2-12; 2-15; 2-23; 2-24; 2-25; 2-26; 3-3; 205-2; 205-3; 206-1; 406-1; AF4; AF5

Global Compliance Model

The Global Compliance Model is the system integrating and implementing our corporate ethical culture ('the how matters') throughout all our operations. It is conveyed to all our stakeholders. Its main purpose is to comply with the applicable laws and the ethical commitments undertaken voluntarily by the Inditex Group, as well as to protect the Company and the interests of its stakeholders, limiting or avoiding any kind of legal liability.

It comprises a set of fundamental elements, regulated by internal regulations, and is governed at the highest internal level by our Codes of Conduct (the Code of Conduct and the Code of Conduct for Manufacturers and Suppliers), described in section above.

Strategy and governance

The **Compliance Function** comprises the **Ethics Committee** and the **General Counsel's Office – Compliance**. It is a corporate function that coordinates all the Inditex Group's areas and departments that are involved in compliance. Its independence from the Senior Management is guaranteed by the direct dialogue between the Compliance Office and the Board of Directors, through the Audit and Compliance Committee, ensuring that the ultimate control of the Global Compliance Model efficiency relies exclusively on the Board of Directors.

The **Ethics Committee** is the internal body in charge of overseeing compliance with the Codes of Conduct, the Criminal Risk Prevention Model, and monitoring the effectiveness of its controls. At least every six months, it submits a **report to the Audit and Compliance Committee** on the activities carried out, the performance of the Ethics Line and the results of the supervision of the Criminal Risk Prevention Model.

The General Counsel's Office – Compliance is in charge of managing the Inditex Group's Global Compliance Model in general, and, in particular, the Criminal Risk Prevention Model and other models for the prevention of corruption and other offences. The Chief Compliance Officer reports to the Audit and Compliance Committee which, in turn, keeps the Board of Directors informed, on a quarterly basis and whenever the Board so requests, on the operation of the key elements of the Global Compliance Model and the management of Company's Compliance risks. The Audit and Compliance Committee may submit proposals for adopting measures to improve the functioning of the Global Compliance Model.

Thus, the governing, management and supervisory bodies of the Global Compliance Model and, in particular, the Criminal Risk Prevention Model, are as follows:

Governance structure of the Global Compliance Model

Board of Directors

Audit and Compliance Committee

/ Assessment of the effectiveness of internal financial and non-financial risk management and control systems

/ Identification of the most significant financial and non-financial risks

/ Monitoring compliance and effectiveness of Compliance policies and procedures

Ethics Committee

Decision-making body

/ Overseeing compliance with the Codes of Conduct

/ Overseeing the Criminal Risk Prevention Model

/ Ethics Line management

/ Responsible for the Internal Reporting System

Comprised of:

/ General Counsel and Secretary of the Board of Directors

/ Chief Compliance Officer

/ General Chief People Officer

/ Chief Audit Officer

/ Chief Sustainability Officer

/ Ethics Line Manager

General Counsel's Office – Compliance

Operating management of the Global Compliance Model

/ Arrangement of internal regulations

/ Liaising with the areas and departments entrusted with Compliance duties

/ Periodic reporting: (i) departments entrusted with Compliance duties to General Counsel's Office - Compliance; and (ii) General Counsel's Office - Compliance to the Ethics Committee and the Audit and Compliance Committee

Comprised of:

/ General Counsel and Secretary of the Board of Directors

/ Chief Compliance Officer

/ Ethics Line Manager

/ General Counsel's Office - Compliance Team

The **Global Compliance Model** comprises a series of fundamental elements, regulated by internal corporate standards, approved by the Board of Directors, and a series of Internal organisational documents.

The **core elements** of the Global Compliance Model described throughout this section are the following:

/ Governance structure

/ The Inditex Group's Codes of Conduct

/ Ethics Line

/ Compliance training plan

/ Due diligence

/ Compliance Policy and Compliance Management Procedure

/ Policy and Procedure on Representatives and Attorneys

Furthermore, the Inditex Group has its own **Internal Regulations**. Some of the most relevant internal rules in connection with the Model, the prevention of crime and, specifically, the prevention of corruption, fraud, money-laundering and illegal financing, are as follows:

/ Internal Regulations Policy.

/ Criminal Risk Prevention Policy and Criminal Risk Prevention Procedure.

/ Integrity Policies: which set out the principles and action guidelines to prevent corruption and bribery: Policy on Donations and Sponsorships, Policy on Gifts and Invitations, and Policy on Dealings with Public Officials.

/ The Conflicts of Interest Policy: it establishes the principles and action guidelines to handle conflicts of interest that may arise for employees in the course of their work at Inditex, and that may compromise the objectivity or professionalism required in the performance of their duties.

/ Anti-Money Laundering and Terrorist Financing Policy: it defines the due diligence processes implemented within the Company, taking into account the different types of business activities we conduct, namely:

- The process to limit cash payments in stores, whereby certain mechanisms are developed to monitor payments in cash by customers in stores; and

- The identification and review of potential risks from our business partners, suppliers and other third parties, in accordance with due diligence measures.

Key Internal Regulations

Core regulations

/ Code of Conduct (approved in 2012 and amended in 2024)

/ Code of Conduct for Manufacturers and Suppliers (2012)

/ Internal Regulations Policy (approved in 2016, as 'Zero Standard', and amended in 2024)

/ Compliance Policy (2016)

Integrity and transparency

/ Due Diligence Policy (2019)

/ Gifts and Invitations Policy (approved in 2017, as 'Policy on Gifts and Business Courtesies', and amended in 2024)

/ Policy on Dealings with Public Officials (2017)

/ Policy on Donations and Sponsorships (2017)

/ Anti-Money Laundering and Terrorist Financing Policy (2018)

/ Conflicts of Interest Policy (approved in 2019 and amended in 2024)

/ Criminal Risk Prevention Policy (approved in 2016 and amended in 2024)

Ethics Line

/ Policy on Internal Reporting Channels (2023)

/ Ethics Line Procedure (approved in 2012 and amended in 2023)

/ Regulations of the Ethics Committee (approved in 2012 and amended in 2023)

Criminal Risk Prevention Model

As part of the Global Compliance Model, Inditex relies on a **Criminal Risk Prevention Model,** aimed at preventing and managing the risks related to the potential commission of offences under Spain's Criminal Code, among them corruption, fraud and bribery.

Criminal Risk Prevention Model

This comprises:

Criminal Risk Prevention Policy

This Policy describes the Model of Criminal Risk Prevention, the potential criminal risks that the Group may be exposed to on account of its operations, in accordance with applicable laws in Spain and with such Internal Regulations that cover standards of conduct to prevent such risks.

Criminal Risk Prevention Procedure

It establishes the organisational measures of the Company; the roles and responsibilities in the field of control, verification and reporting of the Model, and the Ethics Committee's functions in criminal risk prevention.

Risk and Control Matrix (criminal risk map)

/ Outlines the criminal risks and details the risk events applicable to the Inditex Group's operations;

/ Establishes the controls defined to prevent, mitigate or detect risk events;

/ Designates the area responsible for executing each control and providing evidence of its operation and execution;

/ Allocates the frequency with which they must be executed.

/ It includes the criminal risk map, where the information gathered from risk evaluation and control monitoring is shown.

The Criminal Risk Prevention Model, approved by the Board of Directors in 2016, is reviewed periodically. It is subject to a **continuous updating, assessment and improvement process** to adapt it to the activity and evolution of the Inditex Group and to statutory requirements, recommendations and good practices applicable in the field at any given time, thus ensuring its effectiveness.

The Risk and Control Matrix (the 'Matrix') contains an inventory of criminal risks and risk events, including corruption risks, to which Inditex is inherently exposed, that is revised and updated periodically in accordance with applicable legislation and Inditex Group operations. These risk events are assessed in accordance with their impact and probability. The Matrix also has a catalogue of controls to mitigate these risks that are subject to monitoring. With the information obtained in the assessment and periodic monitoring, the criminal risk map is drawn up.

In 2023, the Matrix was reviewed and updated, a new management tool was implemented that facilitates the harnessing of synergies with other of the Group's control systems, and the controls of the Matrix were monitored considering the risk prioritisation determined in the criminal risk map.

The main corruption risks identified in the Criminal Risk Map to which the Group is inherently exposed in accordance to the applicable legislation and its operations are:

/ Prevention of corruption in business

/ Prevention of corruption in international transactions

/ Prevention of bribery

/ Prevention of influence peddling

Evolution of the Global Compliance Model and integration of the various models

During the year, the General Counsel's Office – Compliance has launched or implemented various projects for developing a range of key elements of the Global Compliance Model (such as the review of the Code of Conduct and the Ethics Line).

In 2023, (i) work was ongoing to integrate the Criminal Risk Prevention Model and the existing local Compliance models into the Global Compliance Model, with the aim of combining the existing risk and control matrices into a corporate Matrix, considering legal requirements, international best practices and local regulations; (ii) the update of the Model of Organization, Management and Control ('Model 231') at the Group's Italian subsidiary was completed, in accordance with Legislative Decree no. 231 of 8 June 2001; (iii) the corporate taxonomy of compliance risks was reviewed and the main processes exposed to compliance risks were identified; and (iv) a process to improve the assessment methodology with regard to Compliance risks was launched.

In 2023, the General Counsel's Office – Compliance undertook the coordination of two new corporate functions, enhancing the standardisation and unification of criteria for the entire Group: (i) control claims to validate and review commercial claims across the different sales channels, and (ii) control on new products to review and validate requirements to place new products on the market.

Due diligence

Inditex is firmly committed to controlling and preventing Compliance risks at the third parties with which it deals. For this purpose, a third-party control system has been implemented, which is described in the Due Diligence Policy and in its implementing internal regulations. This Policy includes the principles and action criteria that aim to align Inditex's relationships with its business partners, suppliers and large customers with:

/ international standards and good practices in the field of anti-corruption and anti-bribery;

/ anti-corruption regulations; and

/ applicable anti-money laundering regulations and terrorist financing prevention.

It also aims to guarantee compliance with the sanctions and commercial restrictions approved and implemented in, at least, the European Union, the United States, the United Kingdom and the United Nations, and compliance with the regulations on the prevention of forced labour and on due diligence concerning the value and supply chains currently in place in the various jurisdictions where the Group operates.

Inditex has a solid control system defined in its **Due Diligence Policy** and the implementing internal regulations thereof. Furthermore, this due diligence system is consistent with that of human rights, supervised by the Group's Sustainability Department, described in section *5.1.2. Human rights due diligence*.

The due diligence process regulated by the aforementioned Policy consists of the **identification and analysis of all the suppliers, business partners and third parties** with which the Inditex Group does business, as well as, in certain cases, their main shareholders, directors and beneficial owners. This process allows to identify potential risks related to corruption, fraud, tax evasion, money laundering, international sanctions and/or any other reputational or similar risks that may be associated with these third parties. Risks identified as relevant will lead to the implementation of an action plan coordinated by the General Counsel's Office - Compliance, which may range from remedial measures to the termination of the business relationship with the third party in question. The Policy and its implementing internal regulations describe the responsibilities of the areas involved in the various procedural review flows, as well as in the design, execution and monitoring, where appropriate, of any action plans established.

The due diligence process, for which the General Counsel's Office - Compliance is responsible, is independent but aligned with any other analysis of a social, environmental, operational, financial, commercial or any other nature which the Inditex Group may be engaged in with suppliers or other third parties.

ⓘ More information in sections *5.1.2. Human rights due diligence* and *8.3. Supplier relations* of this Report..

This due diligence process is developed and implemented based on a number of principles:

/ **Obligation** to submit **all business partners, large customers, suppliers and third parties** with whom Inditex engages in business relations to this due diligence process.

/ **Necessary prerequisite** in order to commence business relations with third parties.

/ **It prohibits any business dealings** with third parties regarding which **Compliance risks have been detected**, when no action plan to mitigate or remedy such risks is under way.

/ Based in accordance with the **principles of reasonableness and proportionality**, by applying different levels of analysis based on criteria such as business turnover, industry or market risk or other factors.

This process is carried out over two occasions:

1) **At the outset of the commercial relationship:** all suppliers and other third parties that enter into commercial and/or professional relations with the Group are subject to the scheduled due diligence process. This is increasingly demanding in accordance with certain factors, including: (i) the third party's total estimated business with Inditex; (ii) the market in which the third party is based and carries out its main business; (iii) the sector to which it belongs; and (iv) its degree of interrelation with the authorities and public officials.

2) **Over the course of the commercial relationship**: all existing suppliers are periodically assessed, submitting them to the flow that may be applicable to them, in accordance with Inditex's due diligence regulations.

Inditex has also implemented the **Procedure for Limiting Trade Relations with Suppliers**, which establishes restrictions on hiring suppliers, only allowing those based in markets authorised by the Group to be hired (i.e., those who meet legal and business operation criteria); and on making and receiving payments only to and from those third parties which, having met the foregoing requirement, are made from a bank account opened in such markets.

By implementing the Inditex Minimum Requirements (IMRs), Inditex guarantees that all the product suppliers with whom it works agree to comply with certain social, environmental and product health and safety standards, among others.

Furthermore, all new non-product suppliers in Spain have to accept a Statement of Compliance with Minimum Requirements prior to being registered as Group suppliers.

Grievance mechanism: the Ethics Line

The **Ethics Line** is the preferred, strictly confidential, internal communication channel available to any employee, director and shareholder of any company of the Group, as well as anyone working under the supervision and management of manufacturers, suppliers, contractors and subcontractors of the Inditex Group may raise, including anonymously:

Questions and/or doubts

on **the interpretation or application** of the Group's Code of Conduct and the Code of Conduct for Manufacturers and Suppliers, as well as any **other internal rules of conduct** within the purview of the Ethics Committee.

Breaches and other non-compliances
relating to infringements of the applicable legal system or of the Codes of Conduct or of any other **internal rule of conduct** within the purview of the Ethics Committee, affecting Inditex and committed by employees, manufacturers, suppliers or third parties with whom the Group has a direct employment, commercial or professional relationship.

Therefore, any breaches or irregularities related to **corruption, fraud and bribery** can also be reported via this channel.

The **Ethics Committee** is the internal body responsible for the Group's Internal Reporting System and for managing the Ethics Line, and must promote the necessary investigations to adequately resolve cases handled, in accordance with the **Policy on Internal Reporting Channels and the Ethics Line Procedure** (approved and reviewed, respectively, by the Board of Directors in 2023)**.**

The decisions of the Ethics Committee, as a collegiate and independent body, are **binding** upon the Inditex Group and on the persons to whom they are addressed, where applicable.

This internal body operates in accordance with the provisions of the **Regulations of the Ethics Committee**, updated in 2023 for the purposes of, among others, regulating the functions of the Ethics Committee as the responsible of the Group's Internal Reporting System and the management of the Ethics Line, as well as aligning its content with the Policy on Internal Reporting Channels and the Ethics Line Procedure.

The Ethics Line is governed by the principles and guarantees established in the Policy on Internal Reporting Channels and by the Ethics Line Procedure, which regulates its operation.

The aforementioned Policy and Procedure incorporate international best practices in connection with human rights and adapt the Ethics Line to the requirements of the markets in which the Group operates. In particular, to the requirements derived from the transposition into Member States' law of Directive (EU) 2019/1937 on the protection of persons who report breaches of Union law (the Whistleblower Directive), which include, among others, personal data protection and the rights of persons using whistleblowing mechanisms.

The Policy on Internal Reporting Channels and the Ethics Line Procedure provide the following safeguards and protections for persons concerned:

/ Utmost confidentiality

/ Presumption of innocence and preservation of the **right to honour** of the persons affected by the report

/ Non-retaliation

/ Appropriate use of **personal data** processed

/ The parties' **right to be heard**

All the information regarding the Ethics Committee and the Ethics Line is available on our **intranet** and on our **corporate website** (www.inditex.com), under the 'Ethics Line' tab.

How the Ethics Line works

How the Ethics Line works

1. Concerns

The person concerned reports an incident through the channels provided for this purpose on the intranet and the corporate website (www.inditex.com).

2. Management

The Ethics Committee acknowledges receipt of the report and evaluates whether it falls within the scope of application of the Ethics Line.

3. Investigation

The Ethics Committee carries out the investigation process in collaboration, where applicable, with other areas.

4. Measures

Once **the investigation has concluded,** and after hearing the party concerned, **the Ethics Committee will decide** on:

/ The closing of proceedings, where no breach exists; or

/ The existence of a breach, its severity and whether it is appropriate to take disciplinary measures and/or complementary actions.

In the event of **a breach,** and unless the Ethics Committee decides to directly exercise this power, **the measures** to be taken will be determined by the competent department or area depending on the breach's severity and other circumstances. **Such measures may consist of**:

/ The immediate correction of the breach and the adoption of measures to remedy and prevent future breaches;

/ Disciplinary measures (ranging from a simple warning or admonishment, to dismissal).

In keeping with best practices in this regard, in 2023 a tool provided by an external supplier was commissioned and placed into operation to receive and handle communications from the Ethics Line. This tool is accessible 24 hours a day, 7 days a week, and is available in 21 languages.

Local Ethics Lines

In addition to the Global Ethics Line, Inditex has Local Ethics Lines in the United States and Puerto Rico, Canada, Croatia and Sweden, in order to comply with the requirements and/or best practices applicable in those markets.

Breakdown of cases by topic[67]

	2023	2022
Issues regarding labour and Human Resources, diversity, and respect in the workplace:	321	361
related to discrimination, workplace/sexual harassment or other potential breaches of fundamental rights; and	152	115
related to disputes over working conditions, grounds for dismissal or the implementation of personnel selection processes.	169	246
Business integrity(1)	105	75
Environment, health and safety	10	11
Inappropriate use of Company assets	1	0
Financial, accounting or audit and/or control fraud	0	0
Others	78	94
Total number of cases	**515**	**541**

(1) Includes cases related to potential conducts of taking advantage of the position in Inditex to obtain own business opportunities or other benefits, consultations on potential conflicts of interest and/or fraud or non-compliance with procedures.

In 2023, the Ethics Line (including both the Global Ethics Line and the various Local Ethics Lines) recorded a total of 515 cases (541 cases in 2022). The total number of cases processed by the Ethics Committee does not reflect those that were rejected because they do not fall within its competence.

	2023	2022
Open cases	515	541
Processed cases	294	333
Cases classified as beyond the authority of the Ethics Line	221	208
Confirmed reports of corruption	5	3
(i) Disciplinary measures or termination of employment due to confirmed reports of corruption	5	3
(ii) Total number of confirmed reports where contracts with business partners have been terminated or not renewed due to corruption-related offences	2	0
Confirmed reports of discrimination	3	3
Disciplinary measures or termination of employment due to confirmed reports of discrimination	3	1
Confirmed reports of harassment	3	3
Disciplinary measures or termination of employment due to confirmed reports of harassment	3	1

Of the total of 515 cases opened by the Ethics Committee in 2023, 413 are closed. Of these, 221 were classified as being beyond the authority of the Ethics Committee or as not requiring any further action or monitoring by the Ethics Committee. Of the remaining closed cases falling within the purview of the Ethics Committee: (i) 42 were queries, (ii) 110 were cases which, after investigation, were found not to be non-compliances, and (iii) the remaining 40 were cases of non-compliance requiring appropriate action. Of the latter, 10 cases were related to the prevention of corruption and bribery, 28 were linked to diversity and respect in the workplace and the remaining 2 were related to other violations of the Inditex Group's Codes of Conduct. In 9 cases, the non-compliances detected affected employees of suppliers of goods and services, and the necessary measures to remedy the situation were taken.

With regard to the confirmed cases of corruption, no relevant aspects affecting the Company have been observed in any of them.

During 2023 and 2022, the Group has not been aware, either through its Ethics Committee or through other means, of the processing of legal proceedings concerning corruption or bribery that affect the Company.

No significant (firm) legal actions have been registered in the Inditex Group, either through the Ethics Line or through other available channels, in connection with unfair competition and monopolistic and anti-trust practices during 2023 and 2022.

[67] Compared to previous years, in this financial year the data for the Global Ethics Line and the various Local Ethics Lines are shown in aggregate (until financial year 2022, only the data for the Global Ethics Line were broken down). Data for financial year 2022 have been restated, including communications from Local Ethis Lines, to make the year-on-year evolution comparable.

Training, awareness-raising, and communication

Internal and external communication and circulation

At Inditex we promote the **communication and circulation of internal regulations** linked to the Inditex Group's Global Compliance Model and we facilitate the knowledge and disclosure of the rules of conduct adopted to all the parties bound by them.

In order to ensure our **formal commitment** to ethical and responsible behaviour, the **Compliance function**, which is managed by the **General Counsel's Office – Compliance**, is responsible for:

/ **Adequately informing** and updating the members of **Inditex's Board of Directors** on a quarterly basis, on: (i) the work carried out by the Compliance function and projects underway, (ii) the activities and results of the supervision of Inditex's Criminal Risk Prevention Model, (iii) the status of the cases processed by the Ethics Committee, and (iv) internal regulations approved or amended. Prior to the meetings of the Board of Directors, the General Counsel's Office provides the directors with those policies and internal regulations subject to approval or amendment by the Board.

/ Promptly **communicating** the **internal Compliance regulations** to **officers and other supervisors of the Group's areas and departments,** reminding them of their duty to disclose their content to all staff under their respective areas of responsibility.

In 2023, the Board of Directors approved the Inditex Group's Policy on Internal Reporting Channels and the Regulations of the Cybersecurity Advisory Committee, and it amended the Global Anti-Harassment Policy (to extend the scope of the previous Global Sexual Harassment and Sex or Gender Identity-Based Harassment at the Workplace Prevention Policy, approved in 2022, to include the prevention of all types of harassment), the Community Investment Policy, the Ethics Line Procedure and the Regulations of the Ethics Committee.

In 2023, a total of 3 policies, 4 procedures, 5 regulations, one charter and other internal corporate regulations of a lower rank or local scope were approved and/or amended.

In particular, with regard to corruption prevention, the General Counsel's Office has communicated and published the following communications regarding internal regulations:

(a) Policy on Internal Reporting Channels and the Ethics Line Procedure: communication of the new Policy on Internal Reporting Channels and the updated Ethics Line Procedure.

(b) Policy on Gifts and Invitations (annual reminder): an annual communication regarding the highlights of the Policy and submission of a letter to suppliers to remind them of what is not allowed in connection with gifts and business courtesies.

The policies, procedures and instructions that make up the Global Compliance Model of the Inditex Group are available to all employees on the corporate intranet (INET) and can be accessed from any device.

Furthermore, the 'Ethical Commitment' tab on the Inditex corporate website (www.inditex.com) contains the main internal Compliance regulations, publicly available to all our stakeholders.

Listed below are the groups of persons to whom anti-corruption Policies and Procedures were communicated in 2023, by professional category and region:

Policy on Internal Reporting Channels and Ethics Line Procedure	
Professional category	**No. of people**
Management	5,497
Supervisor	5,273
Specialist	11,006
Total	**21,776**
Region	**No. of people**
Americas	1,262
Asia and rest of the world	1,538
Spain	12,760
Europe (ex-Spain)	6,216
Total	**21,776**
Gifts & Invitations Policy (annual reminder)	
Professional category	**No. of people**
Management	5,635
Supervisor	5,968
Specialist	11,933
Total	**23,536**
Region	**No. of people**
Americas	1,968
Asia and rest of the world	1,630
Spain	13,354
Europe (ex-Spain)	6,584
Total	**23,536**

Lastly, as previously stated, all of the Group's product suppliers have access to the supplier extranet to consult the IMRs applicable to them. Notable among all these internal regulations are the Code of Conduct and the Code of Conduct for Manufacturers and Suppliers, which set out the corruption prevention obligations binding upon all suppliers, among others.

Training action

Educating our employees and suppliers is key to building and growing our Global Compliance Model. We trust them fully to uphold the **values, principles and standards of conduct** that make up our corporate ethical culture.

The promotion of the corporate ethical culture and the Global Compliance Model of the Group is underpinned by the implementation of training action adapted to the risk profile of the different groups of employees that form part of Inditex. In this regard, in 2023, the implementation of the holistic Compliance Training Plan (the **Training Plan**) has continued. Such Plan includes training, awareness and sensitisation measures covering the priority Compliance risks to which the Group is potentially exposed.

The Training Plan, addressed to both Group employees and third parties (e.g. suppliers), primarily covers the following subjects:

/ Code of Conduct

/ Code of Conduct for Manufacturers and Suppliers

/ Ethics Line

/ Anti-corruption and integrity (Integrity Policies and Conflicts of Interest Policy)

/ Criminal risk prevention

/ *Due diligence*

/ Market abuse prevention and protection of inside and/or confidential information

Furthermore , the Training Plan also covers the role of the General Counsel's Office – Compliance to coordinate and manage the Compliance Training Framework Plan (hereinafter, the 'Framework Plan'). This Framework Plan organises the training provided by the main corporate areas exposed to Compliance risks. The goal is to ensure a homogeneous and robust oversight of training to mitigate priority Compliance risks and contribute to building a corporate ethical culture.

Against this backdrop, in 2023 the Compliance function continued to collaborate with and support certain corporate areas in creating or adapting compulsory training content, as well as in reviewing the target audiences for such training, so as to address the courses to employees most exposed to Compliance risks.

Furthermore, the creation of a compulsory training carousel on the corporate e-learning platform, Tra!n, was a major milestone in the implementation of the Framework Plan. It is a dedicated space that hosts compulsory training courses for these corporate areas. In this regard, it is worth noting that each employee will have different courses, as this training has been specifically tailored to their risk profile, position and responsibility. When this new carousel was launched a specific global communication plan was rolled out to familiarise all employees with the space, along with a monitoring plan to track completed training, consisting of periodic reminders to employees with training courses pending about the need to complete them before the end of the financial year.

Compliance training

Within the framework of the Compliance Training Plan, specific training (either in person or online) was provided during 2023 to groups who, on account of their position and responsibilities or because of the type of activity they carry out, are exposed to a **greater risk of Compliance breaches** and, in particular, **to offences relating to corruption in business.**

Furthermore, in early 2023, a training session was held in the form of a Compliance Talk between the General Counsel's Office - Compliance and the heads of some corporate and commercial areas. The goal was to raise awareness of internal regulations and the corporate ethical culture, how to properly manage conflicts of interest and the use of the Ethics Line, as well as the protection of Company information, through concrete examples of potential real-life scenarios that may arise in employees' day-to-day work.

The groups of people who received anti-corruption training in 2023 are listed below, by professional category and region. The number of trained people increased by 9% from 2022:

Priority group (employees) [(1)]

	2023		2022	
Job classification	**No. of unique people trained** [(2)]	**% of the priority group**	**No. of unique people trained** [(2)]	**% of the priority group**
Management	5,147	79%	4,373	71%
Supervisors	3,265	78%	2,882	72%
Specialist	14,742	80%	12,317	69%
Total	**23,154**	**79%**	**19,525**	**70%**
Region				
America	1,194	98%	1,044	87%
Asia and rest of the world	1,415	90%	1,253	74%
Spain	8,785	84%	7,513	75%
Europe (ex-Spain)	11,760	73%	9,717	64%
Total	**23,154**	**79%**	**19,525**	**70%**

(1) Employees that are exposed to Compliance risks due to its position, responsibilities or duties.
(2) When a person has attended several training sessions during the year, they are counted only once.

Likewise, below is a list of the product suppliers who received training on Compliance matters through a specific e-learning course to apprise our main product suppliers across 50 markets (representing 54% of the Group's product procurement) of the principles and behaviour that we expect from them in the framework of our commercial or professional relationship.

Priority group (product suppliers) [1]

Region	No. of unique people trained	% of the priority group
Americas	4	10%
Asia and rest of the world	497	19%
Spain	81	14%
Europe (ex-Spain)	201	16%
Total	**783**	**17%**

(1) Trained suppliers with an active user. Active users are defined as those who have accessed the Group's supplier Extranet in the last 6 months.

8.2. Information security and privacy

Material topic: Information security and privacy

8.2.1. Information security

GRI 3-3

The digital transformation has resulted in a highly competitive environment in which it is necessary to adapt to the changing demands of consumers, who expect a modern experience that matches their expectations. As a result of this transformation and the growth of online commerce, cyber threats are increasing and becoming more sophisticated, requiring companies to constantly adapt and take proactive security measures.

In this context, information security is a crucial aspect of Inditex's cybersecurity strategy. For this reason, managers are engaged in cybersecurity issues with the aim of driving the necessary investment in cybersecurity and protecting our stakeholders (customers, shareholders, employees, investors, suppliers, partners, etc.).

Strategy

Mindful of the risks associated with our business and of the importance of continuously improving our Information Security Management model, in 2023 we ramped up our investment in security by 10% with respect to the previous year, giving a cumulative increase of 62% in the last three years. Our decision to automate various processes, as well as to hire people with different profiles, has allowed us to increase our capacity to address the challenges associated with cybersecurity.

These investments, backed by the support and leadership of the Company's Senior Management, allow us to continue developing initiatives that enable us to attain our global strategic objectives and comply with the guidelines and principles established both generally and in the Information Security Policy, published on the Company's website, as well as their implementing regulations and procedures.

We assign the highest priority to guaranteeing the confidentiality and integrity of information and ensuring the availability of all processes that support sales and distribution channels. The Information Security department is the area in charge of achieving this and the Information Security Committee, comprising members of Senior Management, is the supervisory body that ensures that best practices in security management, applicable regulations and ethical values are effectively and consistently followed throughout the Company, as provided in the Regulations of the Information Security Committees, which were updated in 2023 in keeping with the changes in the organisational structure.

To realise this commitment, our Chief Information Security Officer Charter has been in place since 2022. This document was also updated in 2023 to adapt it to our new organisation. It defines the framework of action and competencies of the Information Security function, regulating both its place in the Organisation and the levels of organisational autonomy and independence (reporting to the Chief Executive Officer), internal and external responsibilities and the following reporting lines:

- Audit and Compliance Committee: the Information Security Director will report, at least semi-annually, to the Audit and Compliance Committee of the Board of Directors of Inditex and, where appropriate, to the corresponding governing bodies of Inditex.
- Information Security Committee: the Information Security director will report quarterly to the members of said Committee on the main risks and aspects related to the Information Security of the Inditex Group.

Cybersecurity Advisory Committee

In 2023 we have launched the creation of a Cybersecurity Advisory Committee. This permanent, advisory and consultative body is made up of independent experts in information security and aims to strengthen the decision-making process related to cybersecurity and promote the Company's strategy in this area. Below is the list of members of the Advisory Committee in financial year 2023:

/ **Alberto Yepez:** co-founder and CEO of Forgepoint Capital, the largest and most active venture capital firm specialised in cybersecurity, valued at over A$1 billion and with 47 portfolio companies. He has a long track record of building and growing successful global cybersecurity companies.

/ **Christopher C. Krebs:** was the first director of the US Department of Homeland Security's Cybersecurity and Infrastructure Agency (CISA). He co-founded Krebs Stamos Group, a geopolitical and technology risk management consulting firm.

/ **Maria Markstedter:** is the CEO of Azeria Labs, Author, and Forbes Cybersecurity Person of the Year. She serves on the technical review board for the Black Hat security conference and as part of the technical advisory council for CISA Cybersecurity Advisory Committee. She is an expert in reverse engineering and ARM architecture exploitation, recognized for her book 'Blue Fox: Arm Assembly internals & externals & reverse engineering'. Her commitment to cybersecurity education is reflected in the high quality of the training services she offers to public and private sector professionals.

/ **Hazel Diez Castaño:** Banco Santander's global CISO, leading a team of more than 2,000 people in cybersecurity and fraud across the Group. She has more than 20 years of experience working in multicultural environments and leading global security departments in several organisations.

/ **Hugh Thompson:** Managing Partner of Crosspoint Capital Partners, LP, focused on cybersecurity, privacy and software infrastructure. He has testified before the US Congress as a cybersecurity expert and is recognised as one of the "Top 5 Most Influential Thinkers in IT Security" by SC Magazine.

/ **Marene Allison:** held senior corporate risk and security positions for more than 30 years at Johnson & Johnson. Prior to joining the private sector, she was a Special Agent with the FBI. She is a former member of the Board of Directors of Health ISAC and a founding member of West Point Women, of which she is the current President.

In addition, on February 6, 2024, a new member joined the Advisory Committee:

/ **Jose Manuel Gonzalez-Páramo Martínez-Murillo:** economist who has held prominent positions on several corporate boards, including the European Central Bank (ECB) and the Bank of Spain. He currently serves as Chairman of the Supervisory Board at European DataWarehouse GmbH&Ltd, and as an independent member of the Board and Risk Committee at Abanca Corporación Bancaria S.A. González-Páramo has developed a broad experience in economics, regulation and banking, contributing significantly to the academic and corporate environment.

Governance and compliance

With regard to governance, we continue to closely monitor digital cybersecurity regulations to ensure we are compliant with legislation in force. In 2023 we launched a legal advisory initiative in connection with cybersecurity. In this regard, prior to its transposition by EU Member States, we completed a proactive review of the alignment and conformity with the new Directive (EU) 2022/2555, known as Network and Information Security (NIS2) Directive, which aims to improve the security of networks and information systems in European territory. We also continue to develop and implement security policies and measures in compliance with the legal obligations pursuant to the General Data Protection Regulation (GDPR).

On the heels of publication of the Good Governance Code on Cybersecurity, drawn up by the National Cybersecurity Forum in collaboration with Spanish Securities Market Commission (CNMV), the Department of National Security and various associations and companies, including Inditex through the involvement of its Chief Information Security Officer, we have reviewed our initial position concerning the content of the Code.

During the year, we conducted various external assessments, both mandatory and voluntary, to analyse our security model from both a compliance perspective, covered in this section, and a technical standpoint, discussed in the following section on Intrusion Prevention. These evaluations show that Inditex's Information Security Management is consistent with best practices and standards in cybersecurity at both the local and international levels. As a result, we have successfully renewed all major information security certifications:

/ Payment Card Industry-Data Security Standard (PCI-DSS) on the protection of our customers' payment card data. Following the publication of a new version of this standard, we have begun our process of adaptation to it.

/ ISO/IEC 27001, which evaluates our Information Security Management System, assuring the confidentiality, integrity and availability of the Company's information and of the systems, as well as of the applications that support the sales channels. In this sphere, we have begun our process of adjustment and compliance with the latest version of the standard.

/ Korean Information Security Management System (K-ISMS), which evidences our adherence to legal cybersecurity requirements in South Korea.

/ Multi-Layer Protection Scheme (MLPS), which regulates cybersecurity issues in China.

Likewise, in 2023 we set up a working group to continue strengthening and developing the existing control programmes. The aim is to gain visibility concerning the security standards of our relevant partners, including prior to contracting, as well as to reduce the risk of cybersecurity threats they might be exposed to. In addition, we continue paying attention to security in the supply chain, having a team dedicated to carrying out reviews and implementing controls to verify the level of security and guarantees in the service provided by third parties.

We have also carried out numerous internal audits and reviews, both by third parties and by the Oversight Area within the Information Security Department, which ensures compliance and proper application of the policies and procedures defined. In 2023 we also carried out a re-evaluation of the OT (Operational Technology) processes at logistics centres. We continue to periodically evaluate our level of cybersecurity maturity in collaboration with an external expert so as to gauge the Company's standard of information security and compare it with companies in other sectors that are subject to exacting standards, such as firms in the banking or technology industries.

Detection and response

As a result of the increase in cyberattacks on companies worldwide, with no material financial or reputational impact on the Company as of the date of this report, the working groups set up have maintained and further developed their activity. These groups, under the supervision of the Information Security Committee, have been tasked with continuing to design and implement new initiatives, and overseeing those already in place, focusing on the management of vulnerabilities and higher-risk assets with the new tools acquired.

In addition, as a consequence of conflicts between countries, monitoring tasks have been maintained, as has the management of the risks associated with this context. Over the course of 2023, we have strengthened our defence capabilities through specific initiatives focused on improving our ability to detect and respond to the most prevalent threats in the external cyber environment such as Distributed Denial of Service (DDoS) attacks, Credential Stuffing, Ransomware and vulnerabilities in third-party products.

The Information Security department has a specialised cyber intelligence team whose main function is the early detection of the potential risks and threats we face by means of continuous monitoring of the digital environment.

Moreover, our global incident response team continues to be a registered member of CSIRT.es (Platform of Spanish Cybersecurity and Incident Management Teams) and TF-CSIRT (Working Group of Security Incident Response Teams), which aim to exchange information on major cybersecurity incidents and improve collaboration and coordination in order to respond quickly in any situation that may affect large companies in Europe and neighbouring areas. Membership of these groups also allows us to nurture relationships with global organisations and partners in other regions to address cybersecurity challenges on a broader scale.

Our Security Operations Centre (SOC) is available 24 hours a day, 7 days a week, for the detection, analysis, reporting and correction of potential security incidents that may affect the Organisation. During 2023, a total of 123 events of interest were recorded (98 in 2022), of which we have reported the most relevant ones to the Information Security Committee. None of these events had a material impact on our operations or financial statements.

This year, we have updated our Procedure on Information Security Incident Response, focusing on the notification of important incidents to third parties (organisations, entities, institutions, etc.) including individuals who must be informed of such events, and on the requirements associated with these notifications. Additionally, we have strengthened our security incident detection and response system with a service that adds an extra layer of security by allowing the early detection of threats and/or suspicious activity through continuous monitoring of our technology infrastructure.

Intrusion prevention

The deployment of prevention measures is one of the most important tasks of our activity, and we have therefore reinforced vulnerability scanning at the Company's perimeter and increased the number of external researchers participating in our private vulnerability detection programme to a total of more than 700 professionals. Furthermore, in 2023, to supplement the private programme, we created a new public rewards programme for the online retail environment, in collaboration with a community of more than one million active researchers. In addition to this, we have conducted crowdsourced pentesting (or penetration testing), which affords us a greater diversity of skills and a broader and more varied perspective on potential weaknesses in our systems, thanks to having a broader group of security professionals.

Also in this field, we have had independent external staff carry out new Red Team activities, focusing on simulating attacks targeting the Company. We thus aim to try to identify our weaknesses in order to improve the Organisation's security status. Adopting a continuous improvement approach, as part of this exercise we conducted a review of the 31 Red Team exercises executed in the 2019-2023 period.

We continue to strive to maintain, improve and evolve the maturity of the Information Security programme. Accordingly, in coordination with the Data Protection and Privacy area and other relevant areas, we have made progress in several initiatives to boost the protection of our Group's information. In this context, our main priorities are the prevention of leaks and theft of sensitive information, the availability of critical services (sales and distribution) and their associated threats, and the control of information integrity, with an emphasis on financial information. This is further supported by the existence of the cyber risk insurance programme, which provides various coverages and services, including own damage (including loss of profit), liabilities and regulatory procedures, as well as crisis management services.

In the area of corporate identity and access management, we have launched a project related to improving oversight and internal processes with respect to management and granting of permissions, as well as privileged identity governance.

With regard to the availability of critical services, we have carried out various exercises to assess and ensure the recovery of critical systems in different scenarios so as to gauge and reduce the risks associated with the continuity of our systems and applications. The infrastructure supporting these services is Tier IV certified, a standard distinguishing data centres that offer the highest level of performance and reliability, guaranteeing a high degree of availability of our infrastructure.

Automation plays a pivotal role in cybersecurity by enhancing the speed, scalability, accuracy and efficiency of detection and response to cyber threats. We therefore continue to pursue the integration of this concept into security strategies and operations, strengthening our cybersecurity position and increasing our preparedness for the challenges of the current digital environment.

We also continue to explore the opportunities offered by artificial intelligence to improve cybersecurity management, identifying patterns and anomalies so as to anticipate potential cyber threats. Artificial intelligence also poses significant cybersecurity challenges, so transparency in the development of systems and collaboration with cybersecurity experts are now key pillars to ensure the integrity and reliability of these systems in the Company.

Training and awareness-raising

We continue to conduct a range of drives for our employees, collaborators and members of the Board of Directors, aimed at assessing and enhancing their level of security awareness and expertise, by means of the Cybersecurity Culture Plan and the training programme. This programme comprises specific actions aimed at the different groups of users according to their profile and role within the Organisation, covering both general aspects of information security and internal policies. For example, we have provided cybersecurity training to the Company's international managers. We also offer cybersecurity training programmes specifically tailored for the Board of Directors and software development professionals, as well as specialised training on compliance with credit card data security requirements.

As in previous years, we have continued to expand the scope of the awareness campaigns and we have conducted various targeted social engineering exercises using phishing tactics (which involves sending fake emails) and smishing (which involves text or SMS messages) in order to verify and reinforce our employees' awareness regarding this type of attacks which are becoming increasingly common in the cyber world. In this context, we emphasised improving our teams' preparedness, ensuring that they effectively understand how to use the communication channels to report potential anomalies.

Similarly, considering the importance of preparing for cybersecurity incidents, in 2023 we held several crisis simulation exercises that served as training for this type of situation. These activities involved different areas linked to the management of this type of event, for the purpose of testing the defined procedures and providing training on escalation and decision making.

We also promote security by partnering with public and private organisations:

/ Working with the NGO CyberPeace Institute, which helps vulnerable communities protect themselves and recover from cyberattacks.

/ Belonging to specialised cybersecurity forums such as the Centre for Industrial Cybersecurity (CCI) and the Spanish Association for the Advancement of Information Security (ISMS Forum).

/ Taking part in events hosted by the Retail & Hospitality Information Sharing and Analysis Center (RH-ISAC) for cybersecurity information sharing.

/ Attending renowned international cybersecurity events, such as the Black Hat conferences or the Security 50 summits.

/ Supported by professional research, guidance and advisory services from expert analysts who provide real-time support on long-term strategic needs and our short-term tactical requisites.

These collaborations enable us to keep up with the latest innovations and trends in cybersecurity, giving us an advanced perspective on developments in this area.

In summary, we continue to devote resources to strengthening cybersecurity, as it is vital to protecting the Company's critical assets, complying with regulations, maintaining business continuity, not to mention preserving the reputation and maintaining the trust of our customers. All this fuels our ambition to stay competitive in an increasingly digital business environment.

8.2.2. Personal Data Protection and Privacy

GRI 3-3

In 2023, we have worked in accordance with the Company's strategy and objectives, advocating the value of respect for privacy and ensuring an appropriate level of compliance with data protection and privacy regulations.

In this regard, in order to guarantee the data protection of the groups whose personal data we process (customers, employees, candidates, etc.), at Inditex we conduct an analysis of all the trends with an impact on privacy across the retail sector, as well as the obligations entailed by the new regulations and the interpretations of the supervisory authorities, judges and courts. This guarantees compliance with the principles deriving from the data protection and privacy regulations, and in particular, those of transparency and the management of the rights of the interested parties.

Throughout the year we have continued to work on a number of cross-cutting projects that have enabled us to advance in the implementation of our privacy programme. Among others, the following:

/ We have reinforced the role of Privacy Delegates, who are the liaisons that help coordinate and manage data protection and privacy issues in each of the subsidiaries through training aimed at being better covered in each of the markets.

/ Project to improve the retention and deletion of personal data of the main groups (customers, employees and candidates) stored in the Company's main systems.

/ We have made substantial headway in defining the system for identifying privacy risks and implementing controls.

/ Development of the cookies compliance model.

More specifically, in relation to customers, the Personal Data Protection and Privacy department has worked hand in hand with the business teams, supporting them as needed. We have taken part in the analysis and review of numerous projects aimed at improving the shopping experience (such as the single login in Italy or various projects aimed at getting to know customers in physical stores), and promoting sustainability (such as the expansion of Zara Pre-Owned into new markets), among others. This is important to ensure that privacy is woven into them from the design stage, in accordance with the corporate procedure.

Projects were also carried out to adapt the systems and operations to the requirements derived from certain privacy regulations affecting the Asian and American markets, especially with regard to international transfers and the exercise of rights, respectively.

As for our employees, we have worked on fostering a culture of privacy in the Company by updating our data protection and privacy course, which is available on the corporate eLearning tool (Tra!n). This training is compulsory for employees working in departments whose functions entail processing the personal data of different stakeholders. Since its launch in June 2023, 97% of employees targeted by this course have completed it.

Lastly, we have maintained the structure of our compliance model in connection with data protection and privacy, based on:

/ Accompanying the business areas.

/ Continuous improvement of the privacy programme and implementation of tools that strengthen the accountability system, accrediting compliance with the model.

/ Monitoring by the Group's global Data Protection Officer (DPO) through our privacy control system.

/ Periodic reporting: at least once a year to the Board of Directors through the Audit and Compliance Committee and to the Company's Management through our participation in the Information Security Committee.

8.3. Supplier relations

Material topic: Responsible management of the supply chain and traceability; Value creation in the community

8.3.1. Our principles and strategy

GRI 2-6; GRI 2-23; GRI 2-24; GRI 2-28; GRI 3-3; GRI 305-6; GRI 403-7; GRI 413-2; AF1; AF6; AF19; AF24

Our business model is based on an agile and flexible supply chain. This enables us to meet demand and adapt to new social and environmental standards quickly and efficiently.

Proximity is one of the key criteria of our supply chain, allowing us to respond nimbly to the market. A significant part of the cutting, sewing, dyeing, washing, printing or finishing factories that manufactured our garments in 2023 are located in Spain or neighbouring countries like Portugal, Morocco and Türkiye.

Overall, as of 2023 we had 1,733 direct suppliers[68] in 45 markets, who created our products at 8,123 factories[69] and generated more than three million jobs (1,729 suppliers, 50 markets and 8,271 factories in 2022).

[68] Figures include suppliers with more than 20,000 production units in the 2023 summer and winter campaigns, based on the primary data extracted from the Company's systems (suppliers with production of less than 20,000 units represent 0.19%). Throughout this chapter, the indicators regarding the number of suppliers have been calculated based on this premise, except for those cases concerning training, audits or corrective action plans, for which all suppliers available in our systems are included without discrimination by purchase volume.

[69] Figures include factories declared by the suppliers with more than 20,000 production units in the 2023 summer and winter campaigns in the manufacturer's management system for 2023 orders. Throughout this chapter, the indicators regarding the number of factories have been calculated based on this premise, except for those cases concerning training, audits or corrective action plans, for which all suppliers available in our systems are included without discrimination by purchase volume.

The supply chain at Inditex in 2023

Suppliers with purchase in 2023

European Union
312 suppliers
1,407 factories

Europe outside the EU
209 suppliers
1,616 factories

Americas
10 suppliers
42 factories

Asia
964 suppliers
4,600 factories

Africa
238 suppliers
458 factories

Factories declared by suppliers in 2023[70]

3,197
Spinning, weaving, and other raw material processes

96
Cutting

3,849
Sewing

124
Dyeing and washing

211
Printing

289
Finishing

357
Non-textile products

The supply chain at Inditex in 2023

	Suppliers with purchase in 2023	New suppliers in 2023	Unused suppliers in 2023	Suppliers with purchase in 2022
Africa	238	62	25	201
Americas	10	1	2	11
Asia	964	160	151	955
Europe outside the EU	209	33	54	230
European Union	312	42	62	332
Total	**1,733**	**298**	**294**	**1,729**

[70] For those factories carrying out more than one process, their main process has been considered.

Dialogue and transparency concerning the supply chain
We endeavour to build strong relationships with our suppliers, based on continuous accompaniment and support. For this purpose, we have set up supplier clusters, spaces to foster dialogue and cooperation with industry actors such as trade unions, employers, administrations and NGOs. In 2023 we worked with ten clusters in Spain, Portugal, Morocco, Türkiye, India, Pakistan, Bangladesh, China, Cambodia and Vietnam, through which 98% of our garments were produced.

Through these dialogue spaces, we also deploy 'Improvement Plans' in collaboration with manufacturers and suppliers part of our supply chain and a network of internal and external specialists. These Plans are part of our Supply Chain Transformation Plan to advance in our sustainability objectives.

ⓘ More information in sections *6.1.4. Lower-impact consumption and efficiency and optimisation* y *6.2.3. Water management activities throughout the supply chain* of this Report.

To promote transparency with our stakeholders, we share information about our supply chain with various actors. These include:

/ **The international trade union federation IndustriALL Global Union.** As part of our Global Framework Agreement, we provide them with a comprehensive and updated list of our manufacturers and their level of compliance with our policies. We also give IndustriALL Global Union and its local affiliates access to the production centres.

/ **A number of international organisations, NGOs, investors and indices.** These include the International Labour Organization (ILO)—in the countries where we take part in the Better Work programme—Zero Discharge of Hazardous Chemicals (ZDHC) and the Institute of Public & Environmental Affairs (IPE) in China, with whom we share environmental information.

ⓘ For further information, refer to the document *Partnerships* on Inditex's corporate website.

/ **Our customers.** In 2023 we responded to 1,309 requests for information related to the manufacture of our products, our sustainability policies or the raw materials used.

8.3.1.1. Main policies, standards and principles on which our supply chain management is based

Our **Code of Conduct for Manufacturers and Suppliers (CCMS)** is the foundation for our supplier relations. Published in 2001 for the first time and updated in 2012, in it we set out the standards they are expected to meet with regard to labour rights, product health and safety and environmental issues.

This Code of Conduct is based on the Organisation for Economic Cooperation and Development (OECD) principles, the Ethical Trading Initiative Base Code, the United Nations Global Compact principles and, among others, the following International Labour Organization (ILO) conventions: 1, 14, 26, 29, 79, 87, 98, 100, 105, 111, 131, 135, 138, 142, 155, 164 and 182.

In addition, our CCMS is an evolving tool, as it is subject to periodic review to keep it in line with industry best practices.

ⓘ More information in the *Code of Conduct for Manufacturers and Suppliers* is available on Inditex's corporate website.

In addition to our CCMS, at Inditex we implement **our own Green to Wear standard,** aimed at reducing the environmental impact of our supply chain, as well as improving the health and safety of our articles and fostering best practices.

This standard, which applies mainly to the factories that carry out wet processes, **covers the sustainable and efficient management of raw materials, water, technology and processes, chemical products, waste and wastewater.**

Another important tool for supply chain management are our **Traceability Requirements for Manufacturers and Suppliers,** increasing the level of detail on the minimum requirements for our suppliers reflected in the Code of Conduct for Manufacturers and Suppliers.

Any manufacturer or supplier wishing to form part of our supply chain must comply with the Code of Conduct for Manufacturers and Suppliers, with the Green to Wear standard, if applicable, and with our Traceability Requirements.

To verify this compliance, we conduct regular and periodic audits to ensure that our standards are upheld. The breach of any of them may entail the termination of the business relationship.

Lastly, internally we promote **responsible purchasing practices,** guiding the decisions of our buyers and product teams with the aim of improving working conditions in the supply chain and fostering sustainable development in the textile sector.

These practices consider all phases of the purchasing process: strategic planning, procurement, development, purchasing and the underlying values and principles that affect workers. In this regard, our participation in the ACT (Action, Collaboration, Transformation) initiative is crucial.

ⓘ More information in section *7.2.1. Workers at the Centre* of this Report.

In the financial year 2023, thanks to the combined efforts of our suppliers, we have increased our knowledge of the source of raw materials. Especially in the phase from fibre growing to yarn creation, whose traceability is one of the challenges facing our industry.

ⓘ More information in the document *Supply Chain: management to transform the sector* available on Inditex's corporate website.

8.3.2. Traceability of the supply chain

GRI 2-24; 3-3; AF5; AF6

We see traceability as **our ability to identify and trace the history, application, location and distribution of products, parts and materials.**

This definition is consistent with Recommendation No. 46 of the **United Nations Economic Commission for Europe**, which advocates enhancing traceability and transparency of sustainable value chains in the garment and footwear sector.

Traceability strategy

Our traceability ecosystem allows us to compile and evaluate information concerning the traceability of our products. Specifically, it helps us to ascertain in which production facilities our articles were created and to certify the use of more responsible materials.

Our Traceability Requirements, developed in 2022, are among the foremost tools in this regard. In 2023 we worked on adapting our monitoring and assessment systems in connection with these requirements, which reflect our suppliers' traceability obligations.

For a start, our suppliers must know their supply chain and work only with manufacturers and intermediaries that comply with our sustainability standards and that have been previously assessed and approved by Inditex.

They must also report which facilities and intermediaries are involved in each production process, from fibre or yarn to the final garment for each order. This information should include both their own facilities and those contracted by them or by third parties.

Management

To facilitate the implementation of these requirements and to help our suppliers improve their traceability processes, we use our In.Trust management system to ease the process whereby our suppliers provide information on their supply chain.

Our traceability requirements not only require to declare our suppliers' supply chain, but also to provide evidence of the use of preferred raw materials[71], such as organic or recycled cotton, viscose from preferred sources or European linen. Suppliers must provide proof of their use by means of documentation certifying their origin, including facility certification if applicable.

We also provide training to help our suppliers solve specific challenges regarding the use and understanding of traceability procedures. In 2023, we provided training to more than 300 suppliers in 20 markets.

[71] In accordance with the definition of industry benchmark organisations, such as Textile Exchange. This defines a preferred material as a raw fiber or material that delivers ongoing beneficial outcomes and impacts for climate, nature, and people through a holistic approach to transforming raw fiber and material production systems.

Assessment

At Inditex we use various control mechanisms operating in parallel to verify compliance with our traceability requirements:

/ **Designation control check:** we check that our suppliers have provided information about their supply chain before deadline.

/ **Review of certificates:** we check raw material certificates before approving them.

/ **Traceability audits:** we verify the information provided by our suppliers on site, through unannounced visits to the production facilities. This allows us to check the production processes, the production in progress and the ones completed. The findings are then compared with the information entered by the supplier.

Audits are carried out through the In.Trace application, which gives auditors easy access to all the information linked to production.

In 2023, **12,100** traceability audits were conducted, revealing 808 non-compliances (10,796 audits and 629 non-compliances in 2022).

Traceability audits		
	2023	**2022**
Africa	4,206	5,400
Americas	105	154
Asia	5,512	2,872
Europe outside the EU	1,500	1,283
European Union	777	1,087
Total	**12,100**	**10,796**

8.3.3. Monitoring, assessment and continuous improvement

GRI 2-24; 3-3; 303-2; 308-1; 308-2; 407-1; 408-1; 409-1; 414-1; 414-2; AF2; AF3; AF6; AF8; AF9; AF10; AF11; AF12; AF13; AF14; AF15; AF16; AF17; AF19

Our aim is to build strong, long-standing relationships with our suppliers. This is why we pay special attention to the process of supplier accompaniment, assessment and improvement that begins even before they start to work with us.

In 2023, 12,761 audits were carried out at our suppliers and manufacturers, by our teams and by 1,128 external auditors[72], specialised by sphere of auditing. They carried out pre-assessments, preliminary environmental assessments, social and environmental assessments. In total, 837 external auditors were trained for this purpose over the course of the year.

Where non-compliances were detected, we supported the improvement process of our suppliers and manufacturers through Corrective Action Plans.

Pre-assessment

Before we embark on a business relationship, we ensure that suppliers comply with our social and environmental standards by means of pre-assessment audits.

These audits check that they comply with our Code of Conduct for Manufacturers and Suppliers (CCMS) and the IMR (Inditex Minimum Requirements) applicable to them. Without this first step, no supplier can join our supply chain.

The IMR are made up of several key documents, such as the Human Rights Policy and the Traceability Requirements for Suppliers and Manufacturers, which establish the social, environmental or product health and safety standards our suppliers and manufacturers must meet to become eligible to receive orders.

In 2023, 2,111 **pre-assessment audits were carried out** (2,075 in 2022). Of these, 2,095 were performed by external auditors.

Number of pre-assessment audits carried out

	2023		2022	
	Pre-assessment audits	**Approved %**	**Pre-assessment audits**	**Approved %**
Africa	64	83%	97	86%
Americas	25	72%	16	88%
Asia	1,590	70%	1,438	73%
Europe outside the EU	173	45%	245	66%
European Union	259	69%	279	82%
Total	**2,111**	**68%**	**2,075**	**74%**

Environmental preliminary assessment

Once the new supplier passes the pre-assessment audit, a preliminary environmental assessment is conducted remotely by external auditors. This ensures that facilities subject to our Green to Wear standard comply with our most demanding environmental requirements. Facilities classified as not approved at this stage cannot receive orders from Inditex.

In 2023, 301 environmental pre-assessments were executed.

Social audits

After the pre-assessment audit, **we conduct** unannounced social audits **on a regular basis** at all suppliers and factories in our supply chain.

These audits allow us to verify compliance with our CCMS and consist of an unannounced site visit to verify wage rates, working hours, health and safety conditions, among other requirements set forth in our Code of Conduct of Manufacturers and Suppliers.

Social audits may be carried out by internal or external auditors in accordance with the Inditex methodology. To guarantee their quality, in 2023 we verify the application of the Inditex audit methodology through 71 control audits[73] (81 audits in 2022).

In 2023, 6,892 social audits were carried out[74] at the factories in our supply chain.

[72] The calculation methodology includes primary data declared by the service provider.
[73] Previously reported as 'special audits'. In order to enhance transparency, this year we detail the topics and volume of the 'special audits' in the various sections of this Report.
[74] A company may receive more than one social audit during a financial year. Each audit carried out is considered when accounting for audits.

Number of social audits carried out[75]

	2023	2022
Africa	324	390
Americas	48	35
Asia	4,209	3,798
Europe outside the EU	1,259	1,319
European Union	1,052	1,295
Total	**6,892**	**6,837**

These audits include the social audits carried out using Inditex's proprietary methodology and the audits carried out following the method of the Social & Labour Convergence Program (SLCP) initiative, of which we have been a member since its inception (1,241 SLCP audits in 2023, 882 en 2022).

SLCP's aim is to improve labour conditions for workers while eliminating audit fatigue in global supply chains. Accordingly, the factory itself carries out a self-assessment, which is then verified by a third party authorised by SLCP and shared with stakeholders.

In addition, social audits using our own methodology have also been carried out in more than 90 external logistics centres this year.

As a result of the social audits, our suppliers and manufacturers are classified in a social ranking based on their degree of compliance with the Code of Conduct for Manufacturers and Suppliers (CCMS). In 2023, the active suppliers social ranking was as follows:

Classification of active suppliers by their social score

	2023		2022	
Classification	**Number of suppliers**	**%**	**Number of suppliers**	**%**
A	761	44%	650	38%
B	928	54%	1,018	59%
C	9	1%	10	1%
Subject to CAP	26	2%	30	2%
PR	9	1%	21	1%
Total	**1,733**	**100%**	**1,729**	**100%**

Classification	Audit results
A	Complies with the CCMS
B	Does not comply with some non-relevant aspect of the CCMS
C	Does not comply with some sensitive, but inconclusive aspect of the CCMS
Subject to PAC	Breaches of the CCMS triggering the immediate implementation of a corrective action plan
PR	Undergoing an auditing process

[75] It includes social audits carried out with the Inditex's proprietary methodology and those carried out with SLCP methodology which have been integrated into our systems.

In terms of compliance with the Code of Conduct for Manufacturers and Suppliers, the performance in active factories of suppliers with purchases is shown in the following table:

Compliance with the Code of Conduct for Manufacturers and Suppliers in 2023

Percentages according to geographical zones and social compliance areas

	Africa	Americas	Asia	Europe outside the EU	European Union
No forced labour	Over 90%	Over 90%	Over 90%	Over 90%	Over 90%
No work by youths or child labour[1]	Over 90%	Over 90%	Over 90%	Over 90%	Over 90%
No discrimination	Over 90%	Over 90%	Over 90%	Over 90%	Over 90%
Respect for freedom of association and collective bargaining	Between 70% and 90%	Over 90%	Over 90%	Over 90%	Over 90%
No harsh or inhumane treatment	Over 90%	Over 90%	Over 90%	Over 90%	Over 90%
Hygiene at work	Between 50% and 70%	Between 70% and 90%	Between 50% and 70%	Between 50% and 70%	Between 50% and 70%
Wage compliance	Between 70% and 90%	Between 70% and 90%	Less than 50%	Between 70% and 90%	Between 70% and 90%
Working hours	Over 90%	Over 90%	Less than 50%	Less than 50%	Over 90%
Environmental awareness	Over 90%	Over 90%	Over 90%	Over 90%	Over 90%
Regular work	Between 70% and 90%	Over 90%	Over 90%	Between 50% and 70%	Over 90%
Implementation of the Code[2]	Less than 50%	Between 70% and 90%	Between 50% and 70%	Less than 50%	Between 50% and 70%

(1) Includes the lack of suitable systems for verifying the age of workers.
(2) Includes the lack of suitable systems for registering and communicating with workers.

Over 90% | Between 70% and 90% | Between 50% and 70% | Less than 50%

Environmental audits

Compliance with our Green to Wear standard, targeting facilities that mainly carry out wet processes, is regularly verified through environmental audits.

These audits are carried out by external auditors in announced visits during which documentation is reviewed and, if applicable, wastewater samples are analysed unannounced.

This information is shared with the rest of the sector within the framework of our collaboration with Zero Discharge of Hazardous Chemicals (ZDHC).

In 2023, 1,868 environmental audits[76] were carried out.

Number of environmental audits carried out

	2023	2022
Africa	70	75
Americas	8	6
Asia	1,208	1,225
Europe outside the EU	295	442
European Union	287	317
Total	**1,868**	**2,065**

As a result, 86% of the suppliers required to comply with the Green to Wear standard are rated as A or B, the highest environmental performance ratings as per our methodology.

Continuous improvement

We know that continuous improvement is key to sustainable supply chain management.

Accordingly, we use **Corrective Action Plans (CAPs),** which are roadmaps to support suppliers in their improvement processes and help them to correct and prevent non-compliances.

These plans may be devised by Inditex teams or carried out in collaboration with other organisations, such as relevant NGOs. In the most sensitive non-compliance cases—classified as being 'subject to CAP' according to social or environmental standards—the plan lasts approximately six months.

In 2023, the following CAPs were carried out:

/ **Social CAP:** we carried out 490 CAPs, of which 285 at factories with a 'Subject to CAP' rating and 205 at production centres with other ratings (487 CAPs in 2022: 292 of these plans were carried out in factories with a 'Subject to CAP' rating, and 195 in sites with other ratings).

/ **Environmental CAPs:** we launched 327 CAPs. 99 of these plans were carried out in factories with a 'Subject to CAP' rating, and 228 in sites with other ratings (547 CAPs in 2022: 122 in factories with a 'Subject to CAP' rating, and 425 in sites with other ratings).

At Inditex we are constantly exploring different ways to advance in the shared challenge of transforming our supply chain and our industry. For this reason, we also carry out certain verifications in specific areas such as those conducted to assess the progress of the corrective action plans or those related to various aspects of the CCMS. In this sense, in 2023 we carried out 697 verifications[77] (424 verifications in 2022).

Despite the importance for Inditex of accompanying our suppliers in improving their social and environmental performance, our commitment to compliance with our standards entails a zero tolerance policy with those who do not show a willingness to improve.

Consequently, if the verification audit still reveals serious non-compliance once the CAP has been completed, the factory or supplier will not be able to continue working with our Company.

Total suppliers, rejected and active in 2023

	Suppliers with purchase in 2023	Rejected due to a breach of the Code of Conduct	Rejected for commercial reasons	Active suppliers at 31/01/2024
Africa	238	2	0	236
Americas	10	1	0	9
Asia	964	39	1	924
Europe outside the EU	209	14	1	194
European Union	312	5	2	305
Total	**1,733**	**61**	**4**	**1,668**

[76] A company may receive more than one social audit during a financial year. Each audit carried out is considered when accounting for audits.
[77] Previously reported as 'special audits'. In order to enhance transparency, this year we detail the topics and volume of the 'special audits' in the various sections of this Report.

Other continuous improvement tools

In addition to the CAPs, our Company implements various improvement and support projects for suppliers and manufacturers, such as those developed as part of the Workers at the Centre strategy, some of which include accompaniment visits to ensure their proper implementation.

In 2023, we also continued with our Environmental Improvement Plan for supply chain transformation, with a particular emphasis on water, discharges, management of chemical products and energy.

ⓘ More information in sections 6.1.4. Lower-impact consumption and efficiency and optimisation y 6.2.3. Water management initiatives throughout the supply chain of this Report.

ⓘ More information in the document *Supply chain: management to transform the sector* available on Inditex's corporate website.

Innovation in production processes

As well as guaranteeing compliance with our standards, at Inditex we aim to improve production processes in the textile industry so as to have a lower impact and achieve more efficient water and energy consumption.

For this purpose, we work closely with organisations and companies that help us develop innovative solutions to improve our impact.

Among the most outstanding examples is the launch of new dyeing and finishing processes such as PIGMENTURA (launched on an industrial scale this year) and *Sustineri*, developed jointly with CHT and Pulcra, respectively. This is based on a pigment dye that does not require washing or drying, thus reducing the time and complexity of the process. This can save up to 96% of water and 60% of energy compared to other continuous dyeing technologies.

As a further benefit, this solution can be implemented in existing dyeing facilities without additional investment. It can also be applied to complex fibre blends, including recycled fabrics, which tend to involve more complex dyeing processes.

Another of the solutions we have developed is *SOKALAN HP 56 A,* partnering with BASF to implement and optimise the first industrial cold washing system. This system significantly reduces water and energy consumption in exhaust dyeing systems.

By supporting innovative solutions, at Inditex we continue to move forward in the transformation of the textile sector and industry.

8.4. Tax responsibility and transparency

Material topic: Value creation in the community

GRI 3-3; 201-2; 201-4; 207-1; 207-2; 207-3; 207-4

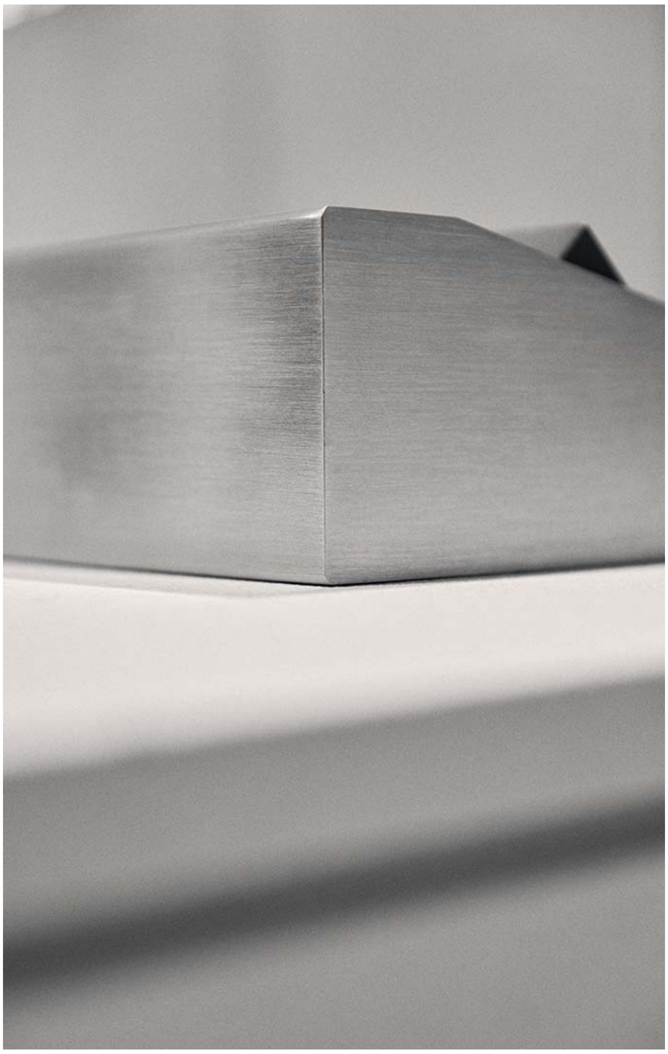
For Inditex, **strict compliance with tax obligations in all the markets in which it operates** is a core principle of its tax policy. We see the application of good tax practices as an extension of our commitment to sustainability and corporate social responsibility.

It is also consistent with our **philosophy of value creation** and our determination to bring about **positive social transformation** wherever we are present, as the payment of taxes, by companies and individuals, enables the economic and social development of a community. Moreover, it fosters the construction and consolidation of infrastructures and public services that benefit the well-being of citizens and society in general.

Inditex's Tax Policy, approved by the Board of Directors in 2015, establishes that, in its tax practices, Inditex shall apply the fiscal legislation of the markets where it is present and, preferably, the interpretative criteria established by the authorities or courts of those markets. Due to the heterogeneity of this regulatory framework, Inditex approaches its tax management by taking the standards of best practice in each territory as a reference.

The Inditex Group is based upon a vertical organisation which takes part in all stages of the value chain of the textile industry (design, production, procurement, distribution and sale). Since all such activities are carried out in different territories, the part of profit created in the value chain attributed to each one needs to be determined. Profit attribution is done pursuant to the arm's length principle, in accordance with local regulations and OECD Transfer Pricing Guidelines.

The principles of **collaboration, mutual trust and good faith** govern Inditex's relationship with the tax authorities. Furthermore, we are part of Foro de Grandes Empresas ("Large Companies Forum") in Spain, whose primary objective is to promote greater collaboration among large companies and the State Taxation Administration. We also comply with the Code of Good Tax Practices promoted in the Forum, and have followed its recommendations and subsequent developments. Specifically, it is important to note that the Group has presented the Tax Transparency Report in accordance with the recommendation contained in section 2.4 of the Code.



Below is a breakdown of profit before taxes by market for 2023 (in million euros)[78] :

Markets	2023	2022
Americas	**1,286**	**1,141**
Brazil	167	122
Canada	80	91
United States	393	424
Mexico	541	376
Other	105	128
Asia & Rest of the world	**552**	**376**
Australia	27	33
China	241	105
South Korea	60	50
Japan	25	11
Kazakhstan	61	48
Other	138	129
Spain	**1,618**	**1,422**
Spain	1,618	1,422
Europe (ex-Spain)	**2,860**	**1,919**
Germany	130	64
Belgium	43	34
France	188	145
Greece	50	27
Italy	177	127
The Netherlands	824	586
Poland	68	9
Portugal	73	47
United Kingdom	167	154
Romania	92	75
Switzerland	525	493
Türkiye	374	137
Other	149	21
Profit/(loss) before taxes	**6,316**	**4,858**
Consolidation	554	500
Consolidated profit/(loss) before taxes	**6,870**	**5,358**

In 2023, the effective overall income tax rate was 21.5%, and the accrued income tax expense (in million euros) was as follows:

Markets	2023	2022
Americas	**396**	**326**
Brazil	76	51
Canada	21	22
United States	91	99
Mexico	164	113
Other	44	41
Asia & Rest of the world	**76**	**58**
Australia	9	11
China	11	(6)
South Korea	13	15
Japan	10	4
Kazakhstan	13	10
Other	20	24
Spain	**334**	**267**
Spain	334	267
Europe (ex-Spain)	**722**	**479**
Germany	35	18
Belgium	11	5
France	52	42
Greece	10	5
Italy	47	20
The Netherlands	247	190
Poland	15	3
Portugal	22	12
United Kingdom	29	22
Romania	13	10
Switzerland	107	92
Türkiye	97	43
Other	37	17
	1,528	**1,130**
Consolidation	(85)	95
Income tax[(1)]	**1,443**	**1,225**

(1) 2023 income tax corresponds to the obligation to pay corporate income tax, or any other, similar tax, paid in the current year, or to be paid in the following year, linked to pre-tax profit by market, in accordance with the provisions of the Information Guide on Non-Financial Information and Diversity published by the Spanish Accounting and Auditing Institute. This year, the payment obligation may be conditioned in some markets by the tax effect associated with tax losses generated in the current or previous financial years.

[78] Profit before tax results from the application of the International Financial Reporting Standards (IFRS), including the application of the accounting standard for leases IFRS16 and excludes the result of the dividend distribution of other subsidiaries of the Group, capital gains from the sale of intra-group holdings, as well as provisions for portfolio impairments in Group subsidiaries. Profit before tax is conditioned by the 'headquarters effect' and compliance with international regulations on transfer pricing (OECD Guidelines) whereby the result derived from design, supply, logistics and distribution functions is allocated to certain markets and, therefore, does not represent the Group's profitability in each market.

The relation between profit/(loss) before tax and corporate income tax in each market is obtained by applying the prevailing tax rate to the taxable income. This, in turn, is the result of performing certain permanent or temporary adjustments to the accounting profit/(loss) before tax.

These adjustments relate mainly to avoiding double taxation on income, to non-deductible expenses and to differences in the criteria for temporary allocation of income and expenditure between tax and accounting legislation (depreciation, impairment, etc.).

The Group is committed to not using structures of a shady nature for tax purposes, putting shell companies located in territories considered as tax havens or uncooperative territories by the Spanish tax authorities. In this regard, the incorporation of companies located in territories considered as tax havens is limited to situations where it is absolutely indispensable for the development of the Group's own commercial activities, as is the case with the companies which operate the stores located in Macau SAR and Monaco.

	Sale of goods and services (thousands of euros)	Number of stores
Macao SAR	4,968	2
Mónaco	7,094	1
Total	**12,062**	**3**

This financial year, taking into account all the markets in which it operates, the Group has received 4 million euros (10 million euros in the previous year) in public subsidies, mainly from China.

Likewise, section *8.1.2. Global Compliance Model and Criminal Risk Prevention Model* of this Report, sets out the measures that Inditex has adopted within the framework of stopping money laundering and the financing of terrorism.

In the financial year 2023, and in compliance with our tax obligations, Inditex's total tax contribution amounted to 8,680 million euros, of which 3,660 million euros were direct taxes paid and 5,020 million euros were taxes collected on behalf of third parties in the territories and markets where the Company operates. In order to standardise the tax disclosures and denominations of these territories, PwC's Total Tax Contribution methodology is used. In it, taxes are divided into five categories:

/ **Income tax.** This includes tax payable on profits earned by companies (such as corporate income tax or business tax), as well as taxes collected and some withholdings on payments to third parties.

/ **Property tax.** Tax payable on the ownership, sale, transfer or occupation of property.

/ **Personal tax.** Tax related to employment, paid and collected. This includes employees' personal income tax withholdings or social security contributions payable by the employee or the Company.

/ **Tax on products and services.** Indirect taxes on the production and consumption of goods and services, such as VAT or customs duties, among others.

/ **Environmental tax.** Duties relating to the supply, use or consumption of products and services that, in one way or another, affect the environment.

Category	Direct tax (in million euros)	Taxes collected (in million euros)
Income tax	1,498	198
Property tax	98	12
Personal tax	891	959
Tax on products and services	1,152	3,850
Environmental tax	21	1
Total	**3,660**	**5,020**

Total tax contribution (in million euros)	**8,680**

With respect to the tax contribution by markets, as Inditex's home market, Spain is home to the main product activities and resulting business. For this reason, and because it represents 14.8% of global sales, it is the Group's largest direct tax contribution market. In 2023, 2,231 million euros in tax were paid in Spain, i.e., 26% of the overall total.

Tax contribution

8,680M€
total tax contribution

3,660M€
direct taxes

5,020M€
collected taxes

2,231M€
Spain

2023 Taxes	Dir*	Coll**
Total	**1,048**	**1,183**

4,451M€
Europe (ex-Spain)

2023 Taxes	Dir*	Coll**
Germany	36	357
Belgium	31	130
France	166	503
Greece	17	169
Italy	99	485
The Netherlands	289	151
Poland	21	149
Portugal	31	251
United Kingdom	132	269
Romania	13	102
Switzerland	126	20
Türkiye	266	109
Other	108	421
Total	**1335**	**3116**

1,496M€
Americas

2023 Taxes	Dir*	Coll**
Brazil	168	115
Canada	97	51
United States	333	198
Mexico	335	123
Other	52	24
Total	**985**	**511**

502M€
Asia and rest of the world

2023 Taxes	Dir*	Coll**
Australia	17	26
China	57	84
South Korea	40	17
Japan	37	38
Kazakhstan	30	10
Other	111	35
Total	**292**	**210**

* Direct taxes
** Collected taxes

	Direct taxes paid (in million euros)		Taxes collected (million euros)	
Markets	**2023**	**2022**	**2023**	**2022**
Americas	**985**	**852**	**511**	**400**
Brazil	168	146	115	82
Canada	97	54	51	52
United States	333	304	198	163
Mexico	335	268	123	79
Other	52	80	24	24
Asia & Rest of the world	**292**	**268**	**210**	**188**
Australia	17	11	26	26
China	57	42	84	64
South Korea	40	36	17	15
Japan	37	40	38	41
Kazakhstan	30	32	10	7
Other	111	107	35	35
Spain	**1,048**	**949**	**1,183**	**860**
Spain	1,048	949	1,183	860
Europe (ex-Spain)	**1,335**	**1,131**	**3,116**	**2,831**
Germany	36	50	357	296
Belgium	31	14	130	120
France	166	152	503	465
Greece	17	22	169	140
Italy	99	67	485	450
The Netherlands	289	205	151	131
Poland	21	13	149	116
Portugal	31	52	251	225
United Kingdom	132	144	269	255
Romania	13	12	102	89
Switzerland	126	110	20	21
Türkiye	266	179	109	80
Other	108	111	421	443
Own taxes	**3,660**	**3,200**	**5,020**	**4,279**

9
Annexes

9.1. Additional indicators

9.1.1. European taxonomy of sustainable activities

Regulatory context

The Inditex Group is subject to Regulation (EU) 2020/852 on EU Taxonomy (hereinafter 'Taxonomy')[79], which stipulates a series of obligations with regard to the disclosure of information relating to 'environmentally sustainable' activities. Since 2021, we have been reporting information concerning the Taxonomy in accordance with the applicable regulations, the scope of which has increased since that date with the publication of Delegated Regulation (EU) 2021/2139 (the Climate Delegated Act), Delegated Regulation (EU) 2021/2178 (the Disclosures Delegated Act) and Delegated Regulation (EU) 2023/2486 (the Environmental Delegated Act).

The Environmental Delegated Act, approved in 2023 by the European Commission, introduces new activities with their respective technical screening criteria of contribution to the remaining four environmental objectives[80], along with those of climate change mitigation and adaptation included in the Climate Delegated Act. Furthermore, this Delegated Act is supplemented by six annexes that establish technical screening criteria for specific sectors and activities. In line with the obligations emanating from this updated regulatory framework, in 2023 the Company reports information on:

/ the proportion of eligibility and alignment for total business volume indicators (turnover), investments in fixed assets (CapEx) and operating expenditure (OpEx) for the climate change mitigation and adaptation objectives;

/ the proportion of eligibility for turnover, CapEx and OpEx key indicators for the remaining environmental objectives;

/ mandatory complementary qualitative information[81].

It is important to highlight that, given the continuous development of new legislation and guidelines in the context of the Taxonomy, companies remain exposed to the need to adapt to new requirements and periodically analyse their activities and internal management systems. The purpose of this is to ensure that the information provided is thorough and adequately complies with regulations.

In this context, after evaluating the activities in accordance with the Taxonomy for the third consecutive year, it is confirmed that for now the Group's main activity –the distribution and sale of fashion items– is not currently included in the applicable regulatory framework. Nevertheless, there are other activities linked to the Group's business model that are included, as outlined below.

Scope and assessment of Inditex's activities

The scope of the information on Taxonomy includes all the companies over which the Inditex Group has control or joint control (listed in *Annex I* of the Consolidated Annual Accounts). Within this scope, the Group has conducted an analysis of its accounting information in order to determine which activities are associated with those described in the Taxonomy in relation to each of the six targets.

This analysis is grounded upon the current level of understanding of the descriptions and technical screening criteria included in the Taxonomy, which, as we discuss below, in some cases has implied updating the assessment criteria applied in 2022.

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[79] The EU Taxonomy is structured around the Regulation (EU) 2020/852, and is supported by three delegated acts: Delegated Regulation (EU) 2021/2139 (the Climate Delegated Act), Delegated Regulation (EU) 2023/2486 (the Environmental Delegated Act) specify the technical screening criteria to determine taxonomy-aligned activities; and the Delegated Regulation (EU) 2021/2178 (Disclosures Delegated Act), which specifies the content, methodology and presentation of information to be disclosed by companies with regard to sustainable economic activities.
[80] The sustainable use and protection of water and marine resources (WTR), the transition to a circular economy (CE), pollution prevention and control, and the protection (PPC) and restoration of biodiversity and ecosystems (BIO).
[81] The Disclosures Delegated Act requires certain qualitative information to be specified in detail concerning accounting policies, the assessment of compliance with the regulations, in addition to contextual information thereon.

Methodology and results

To assess the contribution to each of the objectives established by the Taxonomy, we applied the following methodology:

1) **Eligibility analysis by type of activity:** analysing the accounting items linked to the three key indicators and how they match the descriptions of the Taxonomy activities included in Annexes I and II of the Climate Delegated Act and I to IV of the Environmental Delegated Act.
2) **Analysis of alignment by type of activity:** we assessed, for all the activities considered eligible, compliance with the established:
    - Technical screening criteria for substantial contribution.
    - The criteria of 'Do No Significant Harm' (DNSH) to the rest of environmental objectives.
    - Compliance with minimum social guarantees.
3) **Calculating the indicators and results:** considering the eligible activities aligned with the Taxonomy in accordance with the conclusions drawn from points 1 and 2.

1. Eligibility analysis of the activities carried out by Inditex

As a result of the assessment of its accounting information, eligible activities were identified within the framework of the climate change mitigation (CCM), climate change adaptation (CCA) and circular economy (CE) objectives.

These activities may be encompassed in the three main groups according to the activity type considered by Inditex: **store refurbishments and openings, construction and renovation of the Group's corporate headquarters and logistics centres, and wind-generated electricity.**

The main conclusions of this analysis in connection with the three key indicators (turnover, CapEx and OpEx) are presented below.

Turnover: Inditex is mainly dedicated to the distribution and sale of fashion items, and this activity is its main source of revenue. Since this activity is not currently included in the Taxonomy, no turnover items have been identified that could be considered eligible.

OpEx: According to the definition of this indicator provided in Taxonomy, the percentage of eligible OpEx of the Inditex Group for 2023 has been considered to be approximately 0%.

CapEx: A core portion of the Group's CapEx corresponds to investments undertaken in relation with store **refurbishments and openings.** However, in most cases these actions are linked to the design and refurbishment of retail spaces, mainly leased premises, which only exceptionally involve the building's envelope or insulation (which is what has the capacity to influence its energy efficiency). This means that only in these exceptional cases are the Group's activities considered to be eligible in accordance with the description of the 'renovation of existing buildings' activity corresponding to the activity codes 7.2. CCM/CCA, for the climate change mitigation and adaptation objective, and 3.2. CE, for the circular economy objective. In this regard, it is worth noting that both activities describe the activity of renovation of existing buildings identically.

Another significant part of CapEx refers to the **construction and refurbishment of the Group's corporate headquarters and logistics centres.** In this case, with regard to the eligibility of the 'acquisition and ownership of buildings' activity corresponding to activity code 7.7. CCM/CCA, for the climate change mitigation and adaptation objectives. Activities with the capacity to influence the energy efficiency of the buildings analysed have been considered to be eligible.

The Company also carries out investments to foster self-consumption through the **generation of electricity using wind power** at its own facilities. These investments are considered to be eligible in the framework of activity 4.3. CCM/CCA, 'electricity generation from wind power', in terms of both climate change mitigation and adaptation.

Furthermore, the Inditex Group undertakes **other investments** linked, among others, with the installation, maintenance and repair of the energy efficiency equipment in stores, headquarters and logistics centres, software development and data processing, and the implementation and operation of systems that oversee and optimise energy consumption to achieve greater efficiency, which could be considered to be eligible in the framework of activities 7.3. CCM/CCA (installation, maintenance and repair of energy efficiency equipment), 7.5. CCM/CCA (installation, maintenance and repair of instruments and devices for measuring, regulation and controlling energy performance of buildings), 7.6. CCM/CCA (installation, maintenance and repair of renewable energy technologies) and 8.1. CCM/CCA (data processing, hosting and related activities), respectively. However, these activities represent an insignificant proportion of approximately 0% of the Group's CapEx in financial year 2023. Compared to the information reported in financial year 2022, the taxonomic CapEx disclosed in 2023 do not include actions related to activity 7.3. CCM/CCA due to current limitations in tracking significant accounting items to the necessary level of detail.

In the reporting year, and as a result of the eligibility analysis of the new activities in connection with all of the environmental objectives, new taxonomic activities in which the Group is investing were identified. These notably include: Activity 5.3. CE (preparation for re-use of end-of-life products and product components), activity 5.4. CE (sale of second-hand goods) for the circular economy objective. However, these activities also represent an insignificant proportion of approximately 0% of the Group's CapEx in 2023.

According to the analysis carried out, the Group considers the following activities to be eligible in 2023 (exclusively in terms of CapEx):

Type of activity	Taxonomy objectives	Description of the activity	Inditex Group activities
Renovation of existing buildings	Climate change mitigation (7.2. CCM) Climate change adaptation (7.2. CCA) Circular economy (3.2. CE)	Construction and civil engineering works or preparations for such works	Renovation of stores, headquarters and logistics centres when it is possible to upgrade the building envelope
Acquisition and ownership of buildings	Climate change mitigation (7.7. CCM) Climate change adaptation (7.7. CCA)	Buying real estate and exercising ownership of that real estate	Ownership of headquarters and logistics centres provided there is a possibility of influencing the energy efficiency of the buildings analysed
Electricity generation from wind power	Climate change mitigation (4.3. CCM) Climate change adaptation (4.3. CCA)	Construction or operation of wind-generated electricity facilities	Electricity generation activities in wind power plants

2. Analysis of the alignment of activities by type of activity

For each of the eligible activities previously described, an assessment was carried out of the technical criteria in the climate change mitigation and adaptation objectives, specifically for CapEx. As a result, it was observed that the Group's activities contribute solely to the mitigation objective. This is because the actions identified in relation to the taxonomic activities mentioned are not carried out with the purpose of being 'adaptation solutions' in keeping with the requirements for these activities pursuant to the criterion of substantial contribution to climate change adaptation.

Accordingly, below is a detailed breakdown of the analysis of compliance with the technical screening criteria for the specific activities relating to the **climate change mitigation objective (CCM):**

/ **Renovation of existing buildings** (activity 7.2. CCM), which is reported as CapEx in accordance with point 1.1.2.2. a) of the Disclosures Delegated Act, explains the assessment of compliance with the technical criteria relating to substantial contribution and DNSH specific to this activity;

/ **Acquisition and ownerhip of buildings** (activity 7.7. CCM), which is reported as CapEx and in the investment plan in accordance with points 1.1.2.2.a) and 1.1.2.2. b) of the Disclosures Delegated Act, respectively, as well as explaining the assessment of compliance with the technical criteria and DNSH applicable in the first case, and, for the second case, explaining the criteria considered in the investment plan;

/ **Electricity generation from wind power** (activity 4.3. CCM), reported via the CapEx Plan, in line with the applicable criteria;

/ Analysis of compliance with **DNSH criteria for the climate change adaptation objective** and for the **minimum social safeguards,** assessed jointly for the various groups of activities.

/ Renovation of existing buildings (Activity 7.2. CCM)

In 2023, one action related to the comprehensive refurbishment of one of the Group's stores was identified as being aligned with the Taxonomy under activity 7.2. CCM, as explained below:

i. Compliance with the technical screening criteria for substantial contribution

With respect to the substantial contribution to the climate change mitigation objective, through the review of the works technical project, it was observed that the action identified in this context implies the intervention on the building's facade and, accordingly, on at least 25% of its envelope, in keeping with the Taxonomy's requirements.

ii. Compliance with the technical screening criteria of 'Do No Significant Harm' (DNSH) specific to the activity

- **Climate change adaptation:** no material physical climate risks were identified that might affect the performance of the reported activity pursuant to the provisions of Annex A of the Climate Delegated Act. The detailed breakdown of compliance with this technical criterion is provided in the transversal section 'Compliance with the technical screening criterion of Do No Significant Harm (DNSH) to the climate change adaptation objective'.

- **Sustainable use and protection of water and marine resources:** the building analysed has been refurbished entirely, including sanitary fittings such as taps, basins and toilets that meet the minimum requirements as regards maximum water flow and maximum flush volume established by the Taxonomy. It is compliant with the technical guidelines followed by the Inditex Group in connection with plumbing and sanitation in the works it undertakes, which include caps on water flows in the plumbing systems of sanitary facilities in line with the Taxonomy's requirements, promoting a more conscious use of water resources.

- **Transition towards a circular economy:** the actions identified are compliant with the requirements of the Taxonomy, including that at least 70% of non-hazardous construction and demolition waste generated in the work should be recovered. This compliance is reflected in the store's Construction and Demolition Waste Management Plan, which includes building practices that support circularity; in addition to the construction waste management certificates, which confirm that 100% of the waste generated is recovered.

- **Prevention and control of pollution:** the construction components and materials used comply with the Taxonomy's requirements as per the record of the relevant responsible declarations and emission tests. This includes the requirements linked to substances in Annex C of the Climate Delegated Act, formaldehyde and volatile organic components (VOCs). In addition, the building complies with the Group's technical guidelines on indoor air quality and noise, which meet the Taxonomy requirements.

/ Acquisition and ownership of buildings (Activity 7.7. CCM)

(a) Investments in corporate headquarters

With regard to investments in headquarters, we identified the investment linked to the construction of a new corporate building, which will be a part of the complex of facilities that make up the Group's Arteixo headquarters. This action is presented by means of an investment plan, approved by the Inditex Management, which details all the measures in place to ensure that these investments match the Taxonomy requirements within the framework of the climate change mitigation objective through activity 7.7.

Compliance with the technical screening criteria through the investment plan

In accordance with the provisions of the Disclosures Delegated Act, it is possible to present aligned activities by means of a investment plan that evidences that the investment is earmarked for an activity that will be aligned with the Taxonomy within a maximum period of five years. Such a plan must meet a series of requirements as per the provisions of the Disclosures Delegated Act and the guidelines in the FAQ documents published in 2022 by the European Commission[82].

The plan concerning the corporate building includes a detailed set of measures—with their related expense, status of progress of implementation dates—that must be carried out to ensure that the action complies with the technical screening criteria of activity 7.7. CCM. More specifically, the document details the measures to be adopted for compliance with the requirements concerning energy efficiency[83], Life Cycle Analysis[84] and the Study of Air Tightness and Thermal Integrity of the Envelope[85] applicable to large non-residential buildings built from 2020 onwards. Meanwhile, the detailed breakdown of compliance with DNSH is provided in the section 'Compliance with the technical screening criterion of Do No Significant Harm (DNSH) to the climate change adaptation objective'.

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[82] Commission Notice on the interpretation and implementation of certain legal provisions of the EU Taxonomy Regulation and links to the Sustainable Finance Disclosure Regulation of 19/12/2022, more specifically in the answer to question 26.

[83] Obtaining an Energy Efficiency Certificate showing that primary non-renewable energy consumption is at least 10% below the energy consumption thresholds established for Nearly Zero-Energy Buildings (NZEB); design and calculation of the climate control installation based on the requirements of the Regulation of Thermal Installations in Buildings (RITE); installation of a Building Management System (BMS) to allow the building to be efficiently managed through energy efficiency control and assessment.

[84] Calculation of the average yearly Global Warming Potential (GWP) for a reference study period of 50 years, resulting from the construction in each stage of the building's life cycle and in accordance with EN 15978 Standard.

[85] Performance of an air tightness and thermal integrity study of the building in accordance with EN 13187 and EN 13829 or equivalent standards.

Construction of this project is scheduled for completion in 2024. Once the execution has been completed, the Group undertakes to periodically assess compliance with the relevant technical criteria in this context and to conduct the related adjustments to its calculations and disclosures where necessary.

(b) Investments in logistics centres

This year investments were undertaken at four of the Group's logistics centres that are considered to be aligned with the Taxonomy under activity 7.7. CCM, as outlined below:

i. Compliance with the technical screening criteria for substantial contribution

The aforementioned logistics centres, built after 2020, present non-renewable primary energy consumption of at least 10% below the energy consumption thresholds established for non-residential buildings in accordance with the Basic Document HE, Energy Savings ('*DB HE Ahorro de energía*').

Two of the logistics centres cover a surface area of more than 5,000m^2 and during their construction were subject to robust and traceable quality control processes. These buildings are efficiently operated through the continuous oversight and assessment of their energy performance as provided in the Taxonomy for this purpose. Moreover, the Life Cycle Analysis report of these buildings states that the Global Warming Potential (GWP) resulting from their construction was calculated at each stage of their life cycle in accordance with the relevant standards. Inditex formally undertakes to disclose this GWP to investors and/or customers who so request.

ii. Compliance with the technical screening criteria of 'Do No Significant Harm' (DNSH) specific to the activity

- **Adaptation to climate change:** no material physical climate risks have been identified that could affect the performance of the reported activity in accordance with the provisions of Appendix A of the Climate RD. The details of compliance with this technical criterion are set out in detail in the cross-cutting section "Compliance with the technical criterion of no significant detriment (DNSH) to the climate change adaptation objective".

/ Electricity generation from wind power (Activity 4.3. CCM)

With regard to activity 4.3 CCM, one wind-generated electricity project was identified: the Punta Langosteira Outer Port Wind Facility. This project is aimed at achieving self-consumption between the Inditex Arteixo headquarters and the A Coruña Port Authority, and it will enter into operation in early 2026, so it is reported through an investment plan.

Compliance with the technical screening criteria through the investment plan

As previously explained in connection with the requirements pertaining to the CapEx Plan for the Punta Langosteira Outer Port Wind Facility, measures are envisaged to ensure that the infrastructure is compliant with the technical screening criteria applicable to activity 4.3 CCM. Specifically, the purpose of electricity generation from wind power is included in the Technical Construction Report, which shows that the purpose of this facility is to generate wind power for self-consumption. Furthermore, an Environmental Impact Study is planned as is the compilation of a document outlining the availability of highly durable, recyclable and easily dismantlable equipment and parts for the installation, so as to comply with the applicable biodiversity and circular economy DNSHs, respectively. Meanwhile, the detailed breakdown of compliance with DNSH is provided in the section 'Compliance with the technical screening criterion of Do No Significant Harm (DNSH) to the climate change adaptation objective'

Construction of this project is scheduled for completion in 2026. Once the execution has been completed, the Group undertakes to periodically assess compliance with the relevant technical criteria in this context and to conduct the related adjustments to its calculations and disclosures where necessary.

/ Analysis of compliance with the climate change adaptation DNSH and minimum social safeguards

Compliance with the technical screening criterion of Do No Significant Harm (DNSH) to the climate change adaptation objective

The Inditex Group has analysed the potential impacts in connection with climate change risks, both physical and transition risks, using five emissions pathways aligned with the socioeconomic forecasts of the Intergovernmental Panel on Climate Change (IPCC's Shared Socioeconomic Pathways - SSPs), and considering short (0-5 years), medium (5-10 years) and long (more than 10 years) time frames. For physical risks, the Group has considered seven sources of risk that are relevant to Inditex's business. After identifying and assessing the potential impacts deriving from the sources of climate risks (including the most significant ones associated with a disruption of operations at key facilities, damages to physical assets or disruptions to the supply of raw materials), no material risks were detected that affect the reported Taxonomy activities. Furthermore, the Group has defined adaptation measures aimed at reducing its exposure to risks, thereby adapting to the consequences of climate change.

ⓘ For more information on the assessment of climate risks, see section *6.1.5 Risks and opportunities arising from climate change* of this Report.

Compliance with the criteria for minimum social safeguards

For any economic activity to be considered to be aligned, it must be carried out in accordance with the OECD Guidelines for Multinational Enterprises and the United Nations Guiding Principles on Business and Human Rights.

The Group applies to its operations and business decisions an approach based on the development of due diligence processes, which enables the Group to identify, prevent, mitigate and remedy if applicable the impacts on the economy, the environment and people (including those related to human rights). In this regard, the Group's Human Rights Strategy is consistent with the UN Guiding Principles on Business and Human Rights and based on three pillars for integrating the promotion of and respect for human rights throughout the value chain: the Group's Policy on Human Rights, due diligence and grievance mechanisms. There are also policies and procedures in connection with competition, anti-corruption, responsible business, conflicts of interest and fiscal responsibility. It is worth highlighting the Code of Conduct, aimed at ensuring a professional, ethical and responsible commitment from the Group and everyone belonging to it in the course of their activities, as a basic element of the business culture.

ⓘ More information in sections *5.1.2. Human rights due diligence* and *8.1. Corporate ethical culture and solid compliance architecture* of this Report.

3. Calculation of indicators and results

Having assessed the eligibility and alignment of the activities identified, the next step was to calculate the related indicators (turnover, CapEx and OpEx) for each of them. The process of calculating these key performance indicators involves analysing the Group's consolidated information, excluding intercompany transactions and avoiding double-counting through the processing of accounting information, bearing in mind the adjustments made in the consolidation process, using a single source of information to avoid considering the same item twice, and checking the traceability and accuracy of the information. The Group's Annual Accounts are used to analyse the turnover and OpEx key performance indicators.

The turnover, CapEx and OpEx key performance indicators represent the proportion of the Group's turnover, investments in assets and operating expenditure, respectively, that adheres to, whether in the form of eligibility or alignment, the requirements outlined in the Taxonomy. To construct the numerators of the three key performance indicators, the corresponding items identified as eligible or aligned as per the Taxonomy are considered. With regard to the denominators:

- **Turnover:** the denominator includes the ordinary revenue in the year. Revenue from Group companies, grants or gifts, among others, are not taken into account. Specifically, the figure is taken from the information on additions reported in Inditex's Consolidated Annual Accounts *(Note 4)*.

- **CapEx:** the denominator includes additions to assets, including those derived from business combinations and rights of use. Therefore, the Group considers all additions to property, plant and equipment, intangible assets and rights of use in accordance with IFRS 16. Specifically, the figure is taken from the information on additions reported in Inditex's Consolidated Annual Accounts *(Notes 14, 15 and 16)*.

- **OpEx:** the denominator includes the expenses associated with research and development, building renovation measures, short-term leases and maintenance or repairs that ensure the proper functioning of the assets.

The results obtained for each of these key performance indicators are shown below, alongside the respective conclusions.

/ Turnover

In keeping with the previous information, no items of turnover have been identified that could be considered eligible as per the current Taxonomy. This means that the eligible turnover results in 2023 are approximately 0%. Therefore, this key performance indicator has not experienced any changes with regard to the previous financial year.

/ CapEx

The Inditex Group considers eligible accounting items[86] linked to the following investment types within the framework of the mitigation and adaptation objectives:

- **Renovation of existing buildings** (Activity 7.2. CCM)
- **Acquisition and ownership of buildings** (Activity 7.7. CCM)
- **Electricity generation from wind power** (Activity 4.3. CCM)

The percentage of investment in environmentally sustainable activities in 2023 (3.41%), increases compared to that reported in 2022 (0.65%). The difference between the two results lies mainly in the inclusion of the items linked to the construction actions at logistics centres, as well as those related to the new corporate building and Punta Langosteira Outer Port Wind Facility projects, analysed above.

As explained above, and as shown at the historical level, no significant accounting items linked to the CCM 7.3. activity have been identified in 2023. This activity represented a 0.12% share of Taxonomy-eligible but not environmentally sustainable CapEx in 2022.

Likewise, and in contrast to what was reported in 2022 (0.35%), in 2023 there are no eligible activities under the taxonomy that are not environmentally sustainable. This is because all eligible investments are environmentally sustainable activities that comply with the taxonomy. As with the eligibility results, this difference is due to the Group's efforts to implement measures aimed at guaranteeing the current and future alignment of the actions linked to the acquisition and ownership of buildings (activity 7.7. CCM) and with electricity generation from wind power (activity 4.3. CCM) with the Taxonomy's technical screening criteria.

[86] As indicated, items linked to activities 7.7 CCM and 4.3 CCM are included in the numerator through the investment plan, as explained previously.

It is also due to the high degree of alignment of the remaining items linked to the acquisition and ownership of buildings, owing to the Group's work to create an internal management framework to facilitate the adaptation of the way of working, purchasing and reporting of the teams linked to this activity in accordance with the Taxonomy's technical screening criteria.

/ OpEx

Consistent with the foregoing, the criterion for calculating OpEx is unchanged with respect to the previous year. Consequently, eligible OpEx is observed to be approximately 0% of the Inditex Group's total OpEx in 2023. Therefore, this key performance indicator has not experienced any changes with regard to the previous financial year.

Turnover		2023		Substantial Contribution Criteria						DNSH criteria ('Does Not Significantly Harm')									
Economic activities	Code(s) (1)	Turnover	Proportion of Turnover, year 2023	Climate Change Mitigation	Climate Change Adaptation	Water	Pollution	Circular Economy	Biodiversity	Climate Change Mitigation	Climate Change Adaptation	Water	Pollution	Circular Economy	Biodiversity	Minimum safeguards	Proportion of Taxonomy-aligned (A.1) or -eligible (A.2) turnover, year 2022	Category enabling activity	Category transitional activity
		M€	%	Y; N; N/EL (2)	Y; N; N/EL (2)	Y; N; N/EL (2)	Y; N; N/EL (2)	Y; N; N/EL (2)	Y; N; N/EL (2)	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1. Environmentally sustainable activities (Taxonomy-aligned)																			
Turnover of environmentally sustainable activities (Taxonomy-aligned) (A.1)		**0.00 M€**	**0.00%**	**0.00%**	**0.00%**	**0.00%**	**0.00%**	**0.00%**	**0.00%**								**0.00%**		
Of which Enabling		0.00 M€	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%								0.00%	E	
Of which Transitional		0.00 M€	0.00%	0.00%													0.00%		T
A.2 Taxonomy-eligible, but not environmentally sustainable activities (not Taxonomy-aligned activities)																			
		M€	%	EL; N/EL (3)	EL; N/EL (3)	EL; N/EL (3)	EL; N/EL (3)	EL; N/EL (3)	EL; N/EL (3)										
Turnover of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		**0.00 M€**	**0.00%**	**0.00%**	**0.00%**	**0.00%**	**0.00%**	**0.00%**	**0.00%**								**0.00%**		
A. Turnover of Taxonomy-eligible activities (A.1+A.2)		**0.00 M€**	**0.00%**														**0.00%**		
B. TAXONOMY NON-ELIGIBLE ACTIVITIES																			
Turnover of Taxonomy-non-eligible activities		**35,947 M€**	**100%**																
TOTAL		**35,947 M€**	**100%**																

(1) The Code constitutes the abbreviation of the relevant objective to which the economic activity is eligible to make a substantial contribution, as well as the section number of the activity in the relevant Annex covering the objective, i.e.:

— Climate Change Mitigation: CCM.

— Climate Change Adaptation: CCA.

— Water and Marine Resources: WTR.

— Circular Economy: CE.

— Pollution Prevention and Control: PPC.

— Biodiversity and ecosystems: BIO.

(2) Y – Yes, Taxonomy-eligible and Taxonomy-aligned activity with the relevant environmental objective.

N – No, Taxonomy-eligible but not Taxonomy-aligned activity with the relevant environmental objective.

N/EL – Not eligible, Taxonomy-non-eligible activity for the relevant environmental objective.

(3) EL – Taxonomy-eligible activity for the relevant objective.

N/EL – Taxonomy-non-eligible activity for the relevant objective.

CapEx		2023		Substantial Contribution Criteria						DNSH criteria ('Does Not Significantly Harm')									
Economic activities	Code(s) (1)	CapEx	Proportion of CapEx, year 2023	Climate Change Mitigation	Climate Change Adaptation	Water	Pollution	Circular Economy	Biodiversity	Climate Change Mitigation	Climate Change Adaptation	Water	Pollution	Circular Economy	Biodiversity	Minimum safeguards	Proportion of Taxonomy-aligned (A.1.) or eligible (A.2.) CapEx, year 2022	Category enabling activity	Category transitional activity
		M€	%	Y; N; N/EL (2)	Y; N; N/EL (2)	Y; N; N/EL (2)	Y; N; N/EL (2)	Y; N; N/EL (2)	Y; N; N/EL (2)	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1. Environmentally sustainable activities (Taxonomy-aligned)																			
Electricity generation from wind power	CCM 4.3.	4.46 M€	0.10%	Y	N	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	0.00%		
Renovation of existing buildings	CCM 7.2.	11.44 M€	0.25%	Y	N	N/EL	N/EL	N (5)	N/EL	Y	Y	Y	Y	Y	Y	Y	0.30%		T
Acquisition and ownership of buildings	CCM 7.7.	142.98 M€	3.07%	Y	N	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	0.00%		
CAPEX of environmentally sustainable activities (Taxonomy-aligned) (A.1)		**158.89 M€**	**3.41%**	**3.41%**	**0.00%**	**0.00%**	**0.00%**	**0.00%**	**0.00%**	**Y**	**Y**	**Y**	**Y**	**Y**	**Y**	**Y**	**0.30%**		
Of which Enabling		0.00 M€	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	Y	Y	Y	Y	Y	Y	Y	0.00%	E	
Of which Transitional (4)		11.44 M€	7.20%	7.20%						Y	Y	Y	Y	Y	Y	Y	100.00%		T
A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																			
		M€	%	EL; N/EL (3)	EL; N/EL (3)	EL; N/EL (3)	EL; N/EL (3)	EL; N/EL (3)	EL; N/EL (3)										
Installation, maintenance and repair of energy efficiency equipment	CCM 7.3.	0.00 M€	0.00%	EL	N/EL (6)	N/EL	N/EL	N/EL	N/EL								0.12%		
Acquisition and ownership of buildings	CCM 7.7.	0.00 M€	0.00%	EL	N/EL (6)	N/EL	N/EL	N/EL	N/EL								0.23%		
CAPEX of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		**0.00 M€**	**0.00%**	**0.00%**	**0.00%**	**0.00%**	**0.00%**	**0.00%**	**0.00%**								**0.35%**		
A. CapEx of Taxonomy-eligible activities (A.1+A.2)		**158.89 M€**	**3.41%**	**3.41%**	**0.00%**	**0.00%**	**0.00%**	**0.00%**	**0.00%**								**0.65%**		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
CapEx of Taxonomy-non-eligible activities		**4,503 M€**	**96.59%**																
TOTAL		**4,662 M€**	**100%**																

(1) The Code constitutes the abbreviation of the relevant objective to which the economic activity is eligible to make a substantial contribution, as well as the section number of the activity in the relevant Annex covering the objective, i.e.:

— Climate Change Mitigation: CCM.

— Climate Change Adaptation: CCA.

— Water and Marine Resources: WTR.

— Circular Economy: CE.

— Pollution Prevention and Control: PPC.

— Biodiversity and ecosystems: BIO.

(2) Y – Yes, Taxonomy-eligible and Taxonomy-aligned activity with the relevant environmental objective.

N – No, Taxonomy-eligible but not Taxonomy-aligned activity with the relevant environmental objective.

N/EL – Not eligible, Taxonomy-non-eligible activity for the relevant environmental objective.

(3) EL – Taxonomy-eligible activity for the relevant objective.

N/EL – Taxonomy-non-eligible activity for the relevant objective.

(4) The denominator used for the calculation of the percentages corresponds to the CapEx of environmentally sustainable activities (which comply with the taxonomy) (A.1).

(5) For the reporting exercise relating to the financial year 2023, it is not yet necessary to report on the alignment of activities related to the circular economy objective. However, this activity is eligible for the circular economy objective.

(6) Activities 7.3 and 7.7 reported for the CapEx of activities eligible according to the taxonomy but not environmentally sustainable (activities not aligned to the taxonomy) (A.2), do not include the climate change adaptation objective as they refer to the financial year 2022 reporting, where their eligibility for that objective was not reported.

	Proportion of CapEx/ Total CapEx	
Targets	**Taxonomy-aligned per objective**	**Taxonomy-elegible per objective**
CCM	3.41%	3.41%
CCA	0%	3.41%
WTR	0%	0%
CE	0%	0.25%
PPC	0%	0%
BIO	0%	0%

OpEx		2023		Substantial Contribution Criteria						DNSH criteria ('Does Not Significantly Harm')									
Economic activities	Code(s) (1)	OpEx	Proportion of OpEx, year 2023	Climate Change Mitigation	Climate Change Adaptation	Water	Pollution	Circular Economy	Biodiversity	Climate Change Mitigation	Climate Change Adaptation	Water	Pollution	Circular Economy	Biodiversity	Minimum safeguards	Proportion of Taxonomy aligned (A.1.) or eligible (A.2.) OpEx, year 2022	Category enabling activity	Category transitional activity
		M€	%	Y; N; N/EL (2)	Y; N; N/EL (2)	Y; N; N/EL (2)	Y; N; N/EL (2)	Y; N; N/EL (2)	Y; N; N/EL (2)	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
A. TAXONOMY ELIGIBLE ACTIVITIES																			
A.1. Environmentally sustainable activities (Taxonomy-aligned)																			
OpEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)		**0.00 M€**	**0.00%**	**0.00%**	**0.00%**	**0.00%**	**0.00%**	**0.00%**	**0.00%**								**0.00%**		
Of which Enabling		0.00 M€	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%								0.00%	E	
Of which Transitional		0.00 M€	0.00%	0.00%													0.00%		T
A.2 Taxonomy-eligible, but not environmentally sustainable activities (not Taxonomy-aligned activities)																			
		M€	%	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL										
OpEx of Taxonomy-eligible, but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		**0.00 M€**	**0.00%**	**0.00%**	**0.00%**	**0.00%**	**0.00%**	**0.00%**	**0.00%**								**0.00%**		
A. OpEx of Taxonomy eligible activities (A.1+A.2)		**0.00 M€**	**0.00%**														**0.00%**		
B. TAXONOMY NON-ELIGIBLE ACTIVITIES																			
OpEx of Taxonomy-non-eligible activities		**1,443 M€**	**100%**																
TOTAL		**1,443 M€**	**100%**																

(1) The Code constitutes the abbreviation of the relevant objective to which the economic activity is eligible to make a substantial contribution, as well as the section number of the activity in the relevant Annex covering the objective, i.e.:
— Climate Change Mitigation: CCM.
— Climate Change Adaptation: CCA.
— Water and Marine Resources: WTR.
— Circular Economy: CE.
— Pollution Prevention and Control: PPC.
— Biodiversity and ecosystems: BIO.

(2) Y – Yes, Taxonomy-eligible and Taxonomy-aligned activity with the relevant environmental objective.
N – No, Taxonomy-eligible but not Taxonomy-aligned activity with the relevant environmental objective.
N/EL – Not eligible, Taxonomy-non-eligible activity for the relevant environmental objective.

(3) EL – Taxonomy-eligible activity for the relevant objective.
N/EL – Taxonomy-non-eligible activity for the relevant objective.

Other information related to taxonomy

Information on nuclear and fossil gas activities in Annex III of Delegated Regulation 2022/1214.

Nuclear energy related activities		
1	The undertaking carries out, funds or has exposures to research, development, demonstration and deployment of innovative electricity generation facilities that produce energy from nuclear processes with minimal waste from the fuel cycle.	No
2	The undertaking carries out, funds or has exposures to construction and safe operation of new nuclear installations to produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production, as well as their safety upgrades, using best available technologies.	No
3	The undertaking carries out, funds or has exposures to safe operation of existing nuclear installations that produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production from nuclear energy, as well as their safety upgrades.	No
Fossil gas related activities		
4	The undertaking carries out, funds or has exposures to construction or operation of electricity generation facilities that produce electricity using fossil gaseous fuels.	No
5	The undertaking carries out, funds or has exposures to construction, refurbishment, and operation of combined heat/cool and power generation facilities using fossil gaseous fuels.	No
6	The undertaking carries out, funds or has exposures to construction, refurbishment and operation of heat generation facilities that produce heat/cool using fossil gaseous fuels.	No

9.1.2. Indicators for management of the supply chain

GRI 3-3; 308-1; 308-2; 414-1; 414-2; AF7; AF8; AF16; AF17

a) Supplier clusters

	2023
Spain	
Number of suppliers with purchases in the year	138
Number of sewing factories associated with suppliers with purchases	76
Number of factories for other processes associated with suppliers with purchases(1)	284
Workforce of manufacturers working for Inditex in Spain	19,513
Portugal	
Number of suppliers with purchases in the year	114
Number of sewing factories associated with suppliers with purchases	366
Number of factories for other processes associated with suppliers with purchases(1)	325
Workforce of manufacturers working for Inditex in Portugal	39,761
Morocco	
Number of suppliers with purchases in the year	216
Number of sewing factories associated with suppliers with purchases	348
Number of factories for other processes associated with suppliers with purchases(1)	37
Workforce of manufacturers working for Inditex in Morocco	94,563
Türkiye	
Number of suppliers with purchases in the year	186
Number of sewing factories associated with suppliers with purchases	847
Number of factories for other processes associated with suppliers with purchases(1)	758
Workforce of manufacturers working for Inditex in Türkiye	330,926
India	
Number of suppliers with purchases in the year	122
Number of sewing factories associated with suppliers with purchases	146
Number of factories for other processes associated with suppliers with purchases(1)	298
Workforce of manufacturers working for Inditex in India	454,558
Bangladesh	
Number of suppliers with purchases in the year	150
Number of sewing factories associated with suppliers with purchases	273
Number of factories for other processes associated with suppliers with purchases[1]	209
Workforce of manufacturers working for Inditex in Bangladesh	965,797
Vietnam	
Number of suppliers with purchases in the year	11
Number of sewing factories associated with suppliers with purchases	108
Number of factories for other processes associated with suppliers with purchases(1)	59
Workforce of manufacturers working for Inditex in Vietnam	142,857
Cambodia	
Number of suppliers with purchases in the year	2
Number of sewing factories associated with suppliers with purchases	130
Number of factories for other processes associated with suppliers with purchases(1)	21
Workforce of manufacturers working for Inditex in Cambodia	126,171

China	
Number of suppliers with purchases in the year	367
Number of sewing factories associated with suppliers with purchases	1,304
Number of factories for other processes associated with suppliers with purchases(1)	1,684
Workforce of manufacturers working for Inditex in China	580,279
Pakistan	
Number of suppliers with purchases in the year	69
Number of sewing factories associated with suppliers with purchases	85
Number of factories for other processes associated with suppliers with purchases(1)	100
Workforce of manufacturers working for Inditex in Pakistan	497,524

(1) This includes factories assigned to suppliers in orders for the 2023 summer and winter campaigns. Includes raw materials processing, cutting, dyeing and washing, finishing non-textile product processes. For factories performing more than one process, their main process was considered.

b) Supply chain assessment

Audits by region in 2023

Geographic area	Traceability	Pre-assessment	Environmental pre-assessment	Social	Environmental	Other audits(1)	Total
Africa	4,206	64	11	324	70	157	4,832
Americas	105	25	3	48	8	30	219
Asia	5,512	1,590	233	4,209	1,208	1,199	13,951
Europe outside the EU	1,500	173	21	1,259	295	156	3,404
European Union	777	259	33	1,052	287	47	2,455
Total	**12,100**	**2,111**	**301**	**6,892**	**1,868**	**1,589**	**24,861**

Internal and external audits in 2023

	Traceability	Pre-assessment	Environmental pre-assessment	Social	Environmental	Other audits(1)	Total
Internal	179	16	0	195	33	1,083	1,506
External	11,921	2,095	301	6,697	1,835	506	23,355
Total	**12,100**	**2,111**	**301**	**6,892**	**1,868**	**1,589**	**24,861**

(1) Previously reported as 'special audits'. Includes audits carried out to verify the application of Inditex audit methodology (71 audits), verifications in specific areas such as those performed to assess the progress of corrective action plans or those related to various aspects of the CCMS (697 verifications) and Workers at the Centre programme monitoring visits (821 visits).

Social ranking and production volume of suppliers with purchase(1)(2)

	2023			2022		
	No. of suppliers	% of suppliers	% of production	No. of suppliers	% of suppliers	% of production
A	761	44%	42%	650	38%	37%
B	928	54%	57%	1,018	59%	61%
C	9	1%	0%	10	1%	0%
Subject to CAP	26	2%	1%	30	2%	1%
PR	9	1%	0%	21	1%	0%
Total	**1,733**	**100%**	**100%**	**1,729**	**100%**	**100%**

(1) Supplier A: Complies with the Code of Conduct. Supplier B: Does not comply with some non-relevant aspect of the Code of Conduct. Supplier C: Does not comply with some sensitive, but not conclusive, aspect of the Code of Conduct. CAP Supplier: Supplier in Corrective Action Plan. Supplier PR: Undergoing an auditing process.

(2) Figures include suppliers with more than 20,000 production units in the 2023 summer and winter campaign. Suppliers whose production is less than 20,000 units are excluded.

Social ranking and purchase volume of suppliers by region(1)(2)

	2023			2022		
Africa	No. of suppliers	% of suppliers	% of production	No. of suppliers	% of suppliers	% of production
A	177	74%	76%	144	72%	68%
B	55	23%	24%	44	22%	25%
C	2	1%	0%	1	0%	0%
Subject to CAP	3	1%	0%	4	2%	2%
PR	1	0%	0%	8	4%	4%
Total	**238**	**100%**	**100%**	**201**	**100%**	**100%**

	2023			2022		
Americas	No. of suppliers	% of suppliers	% of production	No. of suppliers	% of suppliers	% of production
A	8	80%	92%	9	82%	95%
B	2	20%	8%	2	18%	5%
C	0	0%	0%	0	0%	0%
Subject to CAP	0	0%	0%	0	0%	0%
PR	0	0%	0%	0	0%	0%
Total	**10**	**100%**	**100%**	**11**	**100%**	**100%**

	2023			2022		
Asia	No. of suppliers	% of suppliers	% of production	No. of suppliers	% of suppliers	% of production
A	329	34%	37%	267	28%	32%
B	629	65%	63%	675	71%	67%
C	2	0%	0%	5	1%	0%
Subject to CAP	4	0%	1%	6	1%	0%
PR	0	0%	0%	2	0%	0%
Total	**964**	**100%**	**100%**	**955**	**100%**	**100%**

	2023			2022		
Europe outside the EU	**No. of suppliers**	**% of suppliers**	**% of production**	**No. of suppliers**	**% of suppliers**	**% of production**
A	54	26 %	28 %	47	20 %	23 %
B	135	65 %	67 %	160	70 %	71 %
C	5	2 %	0 %	4	2 %	0 %
Subject to CAP	13	6 %	5 %	18	8 %	5 %
PR	2	1 %	0 %	1	0 %	0 %
Total	**209**	**100%**	**100%**	**230**	**100%**	**100%**

	2023			2022		
European Union	**No. of suppliers**	**% of suppliers**	**% of production**	**No. of suppliers**	**% of suppliers**	**% of production**
A	193	62 %	61 %	183	55 %	57 %
B	107	34 %	38 %	137	41 %	42 %
C	0	0 %	0 %	0	0 %	0 %
Subject to CAP	6	2 %	0 %	2	1 %	0 %
PR	6	2 %	0 %	10	3 %	1 %
Total	**312**	**100%**	**100%**	**332**	**100%**	**100%**

(1) Supplier A: Complies with the Code of Conduct. Supplier B: Does not comply with some non-relevant aspect of the Code of Conduct. Supplier C: Does not comply with some sensitive, but not conclusive, aspect of the Code of Conduct. CAP Supplier: Supplier in Corrective Action Plan. Supplier PR: Undergoing an auditing process.

(2) Figures include suppliers with more than 20,000 production units in the 2023 summer and winter campaign. Suppliers whose production is less than 20,000 units are excluded.

c) Continuous improvement of the supply chain

Corrective Action Plans in the social area in 2023 at factories incurring in sensitive breaches of the Code of Conduct

Geographic area	Factories that have begun an improvement process	Factories that have improved their compliance	Factories in the process of improving	% CAPs completed successfully[1]
Africa	9	1	7	50%
Americas	3	2	1	100%
Asia	208	35	138	50%
Europe outside the EU	247	33	173	45%
European Union	23	6	12	55%
Total	**490**	**77**	**331**	**48%**

Corrective Action Plans in the environmental area in 2023 in factories incurring in sensitive breaches of the Green to Wear standard

Geographic area	Factories that have begun an improvement process	Factories that have improved their compliance	Factories in the process of improving	% CAPs completed successfully[1]
Africa	16	0	16	0%
Americas	2	0	2	0%
Asia	187	51	117	73%
Europe outside the EU	70	15	49	71%
European Union	52	2	43	22%
Total	**327**	**68**	**227**	**68%**

(1) The percentage of successfully completed corrective action plans is measured in terms of CAPs that have been initiated and completed during 2023. If we were to consider those completed in 2023 irrespective of their start date, the success rate does not change for this year.

9.1.3. Health and safety indicators of our products

GRI 3-3; 416-1; 416-2

Results of the Picking programme

The Picking Programme enables us to verify that our products comply with the Group's Clear to Wear (CtW), Physical Testing Requirements (PTR) and Safe to Wear (StW) health and safety standards. In 2023, initial compliance with our standards in our textile articles reached 98.2%. In cases of initial non-compliance (1.8%), we apply re-operation protocols that allow these products to be properly corrected, eliminating the presence of restricted substances and improving parameters such as colour fastness to achieve compliance.

Degree of initial compliance[87]

	2023	2022
CtW – Chemical substances	99.2%	99.2%
PTR	99.3%	99.4%
CtW[(1)]	**98.5%**	**98.7%**
StW – Parameters	99.9%	99.9%
StW – Design	99.7%	99.8%
StW	**99.6%**	**99.7%**
CtW + StW	**98.2%**	**98.4%**

(1) The CtW category takes into consideration compliance in both chemicals included in CtW and parameters included in PTR.

Degree of initial compliance by geographic area

Africa	**2023**	**2022**
CtW	99.4%	99.2%
StW	98.6%	99.0%
CtW+StW	98.0%	98.3%

Americas	**2023**	**2022**
CtW	100.0%	98.4%
StW	100.0%	100.0%
CtW+StW	100.0%	98.4%

Asia	**2023**	**2022**
CtW	98.3%	98.4%
StW	99.8%	99.8%
CtW+StW	98.1%	98.3%

European Union	**2023**	**2022**
CtW	99.5%	99.7%
StW	99.6%	99.7%
CtW+StW	99.1%	99.3%

Europe outside the EU	**2023**	**2022**
CtW	98.0%	99.3%
StW	100.0%	99.7%
CtW+StW	98.0%	98.9%

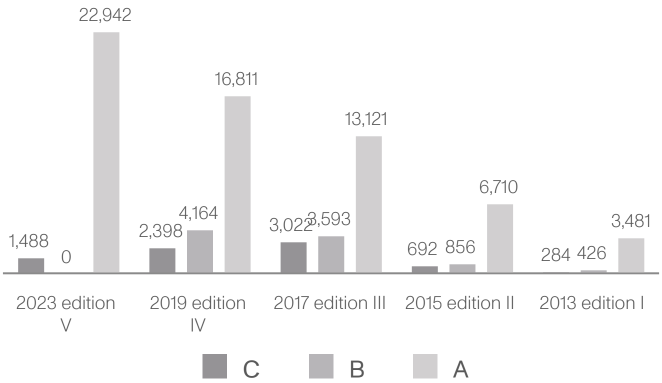
[87] The initial degree of compliance was calculated as the ratio of the number of items meeting each of the Group's standards (CtW, PTR, StW) to the total number of items, in both cases corresponding to the 2023 summer/winter campaign. The information used for this calculation is available in the Company's systems, and is obtained from laboratory analyses carried out as part of our product health and safety control procedure.

The List, by Inditex programme

The List, by Inditex contains a register of commercially available chemical products used in the manufacturing processes of textile and leather goods. In 2023 we carried out the upgrade of the 5th Edition of the programme, with a total of 20,747 analyses, allowing 24,430 chemical products to be classified. In this update, category B was removed and B products were reclassified into categories A and C, becoming a positive and negative list of chemicals..

	5th edition	4th edition	3rd edition	2nd edition	1st edition
Manufacturers	27	24	22	15	10
No. of manufacturer requests	122	98	78	5	10
(acceptance %)	3%	4%	13%	100%	100%
No. of chemical products classified	24,430	23,373	19,736	8,258	4,191
No. of analyses	20,747	83,257	34,605	8,289	1,774

The total number of products from The List, by Inditex is included. The calculation methodology includes primary data obtained through statements from the service provider.



Chemical products "A": their use is permitted in Inditex production with no further analysis by the institutions that use them.

Chemical products "B" (I to IV edition): their use in the Inditex supply chain is subject to further analyses during production, as indicated in the Green to Wear standard.

Chemical products "C": the use of these chemicals is prohibited in Inditex production.

9.1.4. Corporate community investment indicators

GRI 201-1; 203-1; 203-2

	2023	2022
Corporate Community Investment (in euros)	112,620,940	87,870,420

Form of contribution (in euros)	**2023**	**% 2023**	**2022**	**% 2022**	
Cash	61,989,093	55%	46,280,569	53%	Management costs included
Time	10,165,198	9%	9,413,346	11%	
In-kind	38,471,409	34%	30,266,626	34%	
Management costs	1,995,239	2%	1,909,879	2%	
Total	**112,620,940**	**100%**	**87,870,420**	**100%**	

Category (in euros)	**2023**	**% 2023**	**2022**	**% 2022**	
Charitable gifts	2,385,311	2%	1,753,555	2%	Management costs excluded
Community investment	71,656,411	65%	58,720,596	68%	
Commercial initiatives in the community	36,583,978	33%	25,486,390	30%	
Total	**110,625,701**	**100%**	**85,960,541**	**100%**	

Issue addressed (in euros)	**2023**	**% 2023**	**2022**	**% 2022**	
Education	16,793,714	15%	14,094,888	16%	Management costs excluded
Health	8,155,823	7%	6,564,862	8%	
Economic development	3,896,099	4%	3,992,003	5%	
Environment	25,342,750	23%	19,385,452	23%	
Arts and culture	995,682	1%	891,955	1%	
Social welfare	9,782,036	9%	9,191,329	11%	
Emergency relief	45,659,596	41%	31,840,052	37%	
Others	0	0%	0	0%	
Total	**110,625,701**	**100%**	**85,960,541**	**100%**	

Location of the activity (in euros)	**2023**	**% 2023**	**2022**	**% 2022**	
Spain	38,485,619	35%	28,355,155	33%	Management costs excluded
Europe ex-Spain	26,187,705	24%	22,569,569	26%	
Americas	23,043,128	21%	13,774,978	16%	
Asia and rest of the world	22,909,248	21%	21,260,838	25%	
Total	**110,625,701**	**100%**	**85,960,541**	**100%**	

SDG (in euros)	2023	% 2023	2022	% 2022
1. No poverty	4,983,326	4.5%	3,750,457	4.4%
2. Zero hunger	139,171	0.1%	99,188	0.1%
3. Good health and well-being	8,235,576	7.4%	7,670,746	8.9%
4. Quality education	8,190,421	7.4%	7,182,324	8.4%
5. Gender equality	8,546,153	7.7%	5,122,683	6.0%
6. Clean water and sanitation	1,351,753	1.2%	2,597,186	3.0%
7. Affordable and clean energy	2,500	0.0%	2,500	0.0%
8. Decent work and economic growth	11,014,539	10.0%	7,931,367	9.2%
9. Industry, innovation and infrastructure	2,274,924	2.1%	2,501,301	2.9%
10. Reduced inequality	21,637,113	19.6%	17,760,641	20.7%
11. Sustainable cities and communities	850,340	0.8%	722,389	0.8%
12. Responsible consumption and production	27,727,459	25.1%	22,531,480	26.2%
13. Climate action	2,327,147	2.1%	7,089,561	8.3%
14. Life below water	159,993	0.1%	250,180	0.3%
15. Life on land	12,036,912	10.9%	131,635	0.2%
16. Peace, justice and strong institutions	338,392	0.3%	155,344	0.2%
17. Partnerships for the goals	809,979	0.7%	461,558	0.5%
Total	**110,625,701**	**100%**	**85,960,541**	**100%**

% management costs excluded

Output indicators	2023	2022
Number of hours spent by employees on social initiatives during working hours	338,940	313,778
Number of social initiatives implemented	910	725
Number of garments donated to social causes	8,954,380	7,894,590
Number of direct beneficiaries	4,342,254	3,352,138
Number of community organisations supported	476	469

	2023	2022
Number of children with access to education	39,436	20,230
Number of people receiving professional training	11,777	16,143
Number of migrants, refugees and displaced persons served	968,630	1,861,489
Number of people receiving medical care	1,679,023	1,037,184
Number of employments created through community investment projects	6,841	6,234
Number of people accessing water and sanitation	1,065,990	753,616
Number of people benefiting from environment-related initiatives	59,502	—

	2023	2022
Leverage (in euros)	107,800,304	75,306,852

Impact indicators	2023	2022
Number of direct beneficiaries where results were measured	4,059,696	3,283,404

Depth of impact (number of beneficiaries that...)	2023	2022
Made a connection as a result of the initiative	294,863	403,097
Made an improvement as a result of the initiative	3,314,730	2,529,808
Made a transformation as a result of the initiative	450,103	350,499

Type of impact (number of beneficiaries that...)	2023	2022
Experienced a direct positive change in their behaviour or attitude	1,253,831	653,145
Developed new skills or an increase in their personal well-being	49,056	30,606
Experienced a positive impact on their quality of life	3,897,155	2,852,121

Social cash flow (in millions of euros)	2023	2022
Cash received from the sale of products and services	35,947	32,569
Flow received from financial investments	380	105
Cash received for sales of assets	0	0
Total value added flow	36,328	32,674

Distribution of value added flow (in millions of euros)	2023	2022
Remuneration to employees for their services	5,357	4,753
Tax on profits paid	1,460	1,176
Return of financial debt	-3	17
Dividends paid to shareholders	3,744	2,914
Corporate Community Investment	113	88
Cash retained for future growth	1,377	705
Payments made outside the Group for the purchase of goods, raw materials and services	22,464	21,666
Payments made for investment in new productive assets	1,816	1,355
Total distribution of value added flow	**36,328**	**32,674**

9.1.5. Inditex's contribution to the SDGs. Key indicators

SDGs	Targets	Section	Main indicator or related content (2016 GRI version if not stated otherwise)
	1.2	Communities	GRI 203-2
	1.4	Communities	GRI 203-2
	2.1	Communities	GRI 203-2
	2.4	Communities	GRI 203-2
	3.4	Our people	GRI 403-2 (2018)
	3.4	Supplier relations	Supply chain workers benefiting from health and safety programmes
	3.8	Communities	GRI 203-2
	3.9	The transition to a circular economy: resources, products and waste	Chemical substances included in the Manufacturing Restricted Substances List (MRSL)
	3.9	Climate change	GRI 305-1; GRI 305-2; GRI 305-3
	4.4 and 4.5	Our people	GRI 404-1
	4.4 and 4.5	Communities	GRI 203-2
	5.1	Our people	GRI 401-3; GRI 405-1; GRI 405-2
	5.1	Supplier relations	Supply chain workers benefiting from diversity, equality and inclusion programmes
			GRI 406-1
	5.1	Communities	GRI 203-2
	5.1	Corporate ethical culture and solid Compliance architecture	GRI 405-1
	5.2	Supplier relations	GRI 414-2
	5.5	Corporate ethical culture and solid Compliance architecture	GRI 2-9 (2021)

SDGs	Targets	Section	Main indicator or related content (2016 GRI version if not stated otherwise)
6 CLEAN WATER AND SANITATION	6.1	Communities	GRI 203-2
	6.4	Supplier relations	Number of environmental audits carried out and the resulting corrective action plans
	6.4	Water management	GRI 303-3 (2018)
	6.4	Communities	GRI 203-2
7 AFFORDABLE AND CLEAN ENERGY	7.2	Climate change	GRI 302-1
	7.2	Communities	GRI 203-2
	7.3	Climate change	GRI 302-4
8 DECENT WORK AND ECONOMIC GROWTH	8.5	Our people	GRI 2-7 (2021); GRI 405-2
	8.5	Supplier relations	Workers involved in the Workers at the Centre 2023-2025 programmes
	8.5	Communities	GRI 203-2
	8.5	Corporate ethical culture and solid Compliance architecture	Policies formalizing Inditex's commitment to decent work
	8.6	Our people	GRI 401-1
	8.6	Communities	GRI 203-2
	8.7	Supplier relations	GRI 408-1; GRI 409-1
	8.8	Our people	GRI 2-30 (2021)
	8.8	Supplier relations	Actions taken for the protection of workers in the supply chain within the framework Workers at the Centre 2023-2025
			GRI 407-1
	8.8	Communities	GRI 203-2
9 INDUSTRY, INNOVATION AND INFRASTRUCTURE	9.2	Tax responsibility and transparency	GRI 201-1
	9.4	The transition to a circular economy: resources, products and waste	Initiatives developed by the Sustainability Innovation Hub
	9.4	Climate change	LEED y BREEAM certifications in own distribution centres, headquarters and stores
	9.4	Communities	GRI 203-1
	9.5	Information security and privacy	Technology-related information security initiatives
10 REDUCED INEQUALITIES	10.2	Communities	GRI 203-2
	10.3	Our people	GRI 405-2
	10.7	Supplier relations	Workers benefiting from protection of migrants and refugees programmes

SDGs	Targets	Section	Main indicator or related content (2016 GRI version if not stated otherwise)
11 SUSTAINABLE CITIES AND COMMUNITIES	11.1	Communities	GRI 203-1
12 RESPONSIBLE CONSUMPTION AND PRODUCTION	12.2	The transition to a circular economy: resources, products and waste	GRI 301-1; GRI 301-2
	12.2	Climate change	GRI 302-2
	12.2	Supplier relations	Traceability and supply chain management
	12.2	Communities	GRI 203-2
	12.4	The transition to a circular economy: resources, products and waste	GRI 301-2; GRI 306-1 (2020)
	12.5	The transition to a circular economy: resources, products and waste	GRI 306-3 (2020); GRI 306-4 (2020)
	12.8	Our customers	Number of enquires received by the various customer service channels
13 CLIMATE ACTION	13.1	Climate change	GRI 302-1; GRI 305-5
	13.1	Supplier relations	GRI 308-1
	13.1	Communities	GRI 203-2
	13.1	Corporate governance	GRI 201-2
14 LIFE BELOW WATER	14.1	The transition to a circular economy: resources, products and waste	Actions within the framework of the commitment to Zero Discharge of Hazardous Chemicals (ZDHC)
	14.3	Climate change	GRI 305-1
	14.3	Communities	GRI 203-2
15 LIFE ON LAND	15.1	The transition to a circular economy: resources, products and waste	Projects with recycled raw materials with less impacts
	15.1	Biodiversity and ecosystems	GRI 304-2
	15.2	Communities	GRI 203-2

SDGs	Targets	Section	Main indicator or related content (2016 GRI version if not stated otherwise)
16 PEACE, JUSTICE AND STRONG INSTITUTIONS	16.3	Communities	GRI 203-2
	16.3	Corporate ethical culture and solid Compliance architecture	Grievance mechanisms
	16.5	Corporate ethical culture and solid Compliance architecture	GRI 205-1
	16.7	Stakeholders	Requests attended by the individual shareholders' department
	16.7	Corporate ethical culture and solid Compliance architecture	GRI 2-10 (2021)
17 PARTNERSHIPS FOR THE GOALS	17.3	Communities	GRI 203-2
	17.16	Our people	Cooperation relationship with international entities
	17.16	The transition to a circular economy: resources, products and waste	Cooperation relationship with international entities
	17.16	Climate change	Cooperation relationship with international entities
	17.16	Supplier relations	Cooperation relationship with international entities
	17.16	Communities	GRI 203-2
	17.16	Corporate ethical culture and solid Compliance architecture	Cooperation relationship with international entities
	17.17	Supplier relations	Public-private partnerships
	17.17	Communities	GRI 203-2

KEY:
Indicators selected by Inditex based on the guidelines in: *Business Reporting on the SDGs: An Analysis of Goals and Targets.*
Indicators established by Inditex that correspond to disclosures present in the GRI standards.
Internal indicators established by Inditex.

9.2. Content indexes

9.2.1. Index of the contents required by Act 11/2018

Index of the contents required by Act 11/2018[88]

Information requested by Act 11/2018	Materiality	Pages of the Report where response is given	Reporting criteria: GRI (2016 version unless otherwise indicated)
General information			
A brief description of the business model that includes its business environment, its organisation and structure	Material	117-120, 131-132, 166-169	GRI 2-6 (2021)
Markets in which it operates	Material	112-113, 166-168	GRI 2-1 (2021) GRI 2-6 (2021)
Organisation's objectives and strategies	Material	105, 107-108, 139-144, 166-175, 190-193, 234-235, 237-240, 283-287	GRI 2-22 (2021)
Main factors and trends that may affect its future development	Material	105, 107-108, 127, 150-172	GRI 3-3 (2021) GRI 2-22 (2021)
Reporting framework used	Material	124-127	GRI 1 (2021)
Materiality principle	Material	183-187	GRI 3-1 (2021) GRI 3-2 (2021)
Environmental issues			
Management approach: description and results of policies relating to these issues, as well as the main risks related to these issues related to the group's activities	Material	166-175, 190-192, 225, 230, 234-240	GRI 3-3 (2021)
Detailed general information			
Detailed information on the current and foreseeable effects of the company's activities on the environment and, where applicable, health and safety	Material	192-199, 241-242	GRI 3-3 (2021)
Environmental assessment or certification procedures	Material	199-201, 236-240, 344-345,	GRI 3-3 (2021)
Resources dedicated to the prevention of environmental risks	Material	199-202	GRI 3-3 (2021)
Application of the principle of precaution	Material	192-193, 197, 231-233	GRI 2-23 (2021) and GRI 3-3 (2021), with regard to the application of the principle of precaution
Amount of provisions and guarantees for environmental risks	Material	127, 192-193, 197	GRI 3-3 (2021)

88 In addition to the selected GRI reporting contents, the linked contents of the Draft Apparel and Footwear (AF) Sector Supplement to the Global Reporting Initiative's G4 Guidelines are shown in the table.

Information requested by Act 11/2018	Materiality	Pages of the Report where response is given	Reporting criteria: GRI (2016 version unless otherwise indicated)
Pollution			
Measures to prevent, mitigate or repair emissions which severely affect the environment; taking into account any form of atmospheric pollution specific to an activity	Material	190-194, 199-202	GRI 3-3 (2021) GRI 305-7
Including noise and light pollution	Non-material	183-187	Not applicable
Circular economy and waste prevention and management			
Prevention, recycling and reuse measures, and other forms of recovery and disposal of waste	Material	169-171, 234-236, 243-247	GRI 3-3 (2021) GRI 301-3 with regard to recovered packaging products for reuse and recycling GRI 306-1 to 306-2 (2020) GRI 306-3 with regard to waste generated at the headquarters, logistics centres and own factories GRI 306-4 to 306-5 (2020)
Actions to fight against food waste	Non-material	183-187	Not applicable
Sustainable use of resources			
Water consumption and water supply according to local limitations	Material	225-226	GRI 303-1 to 303-3 (2018) GRI 303-5 (2018) with regard to total water consumption from own sources
Consumption of raw materials and measures taken to improve the efficiency of their use	Material	236-243	GRI 301-1 to 301-3 AF18, AF20
Direct and indirect energy consumption	Material	197-199	GRI 302-1 GRI 302-3
Measures taken to improve energy efficiency	Material	169-175, 192-202	GRI 3-3 (2021) GRI 201-2
Use of renewable energies	Material	192-193, 198-202	GRI 302-1 AF21
Climate change			
Greenhouse gas emissions generated as a result of the company's activities, including the use of the goods and services it produces	Material	192-199	GRI 305-1 GRI 305-2 GRI 305-3 GRI 305-4
Measures taken to adapt to the consequences of climate change	Material	139-144, 172-175, 190-224	GRI 3-3 (2021) GRI 201-2
Voluntary reduction targets set for the medium and long term to reduce greenhouse gas emissions and the means implemented for this purpose	Material	190-202	GRI 3-3 (2021) GRI 305-5
Biodiversity protection			
Measures taken to preserve or restore biodiversity	Material	230-233, 236-238, 314	GRI 3-3 (2021) GRI 304-3 with regard to measures taken to preserve biodiversity
Impacts caused by the activities or operations in protected areas	Material	197, 230-233, 243	GRI 3-3 (2021) GRI 304-1 GRI 304-2
Social issues concerning staff			
Management approach: description and results of policies relating to these issues, as well as the main risks related to these issues related to the group's activities	Material	250-282	GRI 3-3 (2021)

Information requested by Act 11/2018	Materiality	Pages of the Report where response is given	Reporting criteria: GRI (2016 version unless otherwise indicated)
Employment			
Total number and distribution of employees by country, gender, age and occupational classification	Material	250-253	GRI 2-7 (2021), regarding employees by labor contract and type, by gender GRI 405-1
Total number and distribution of employment contract modalities and annual average of permanent contracts, temporary contracts and part-time contracts by gender, age and occupational classification	Material	254-255	GRI 2-7 (2021), regarding employees by labor contract and type, by gender
Number of dismissals by gender, age and occupational classification	Material	255-256	GRI 3-3 (2021) GRI 401-1
Average salaries and their evolution broken down by gender, age and occupational classification or equal value	Material	264-265	GRI 3-3 (2021)
Wage gap, equal or average remuneration of jobs in the society	Material	264	GRI 3-3 (2021) GRI 405-2 with regard to the remuneration of women compared to men by gender, age and occupational classification
Average remuneration of directors and officers, including variable remuneration, allowances, indemnities, payment to long-term savings pension schemes and any other payment broken down by gender	Material	138-139	GRI 3-3 (2021)
Implementation of policies to disconnect from work	Material	274	GRI 3-3 (2021)
Number of employees with disabilities	Material	262-263	GRI 3-3 (2021) GRI 405-1
Organisation of work			
Organisation of working hours	Material	266	GRI 3-3 (2021)
Number of hours of absenteeism	Material	280	GRI 3-3 (2021) GRI 403-9 with regard to absenteeism hours
Measures designed to facilitate the enjoyment of amicable settlement and to promote the corresponding exercise of these by both parents	Material	273-274	GRI 3-3 (2021) GRI 401-3
Health and safety			
Occupational health and safety conditions	Material	274-282, 294-295	GRI 3-3 (2021) GRI 403-1 to 403-8 (2018)
Work-related accidents, in particular their frequency and severity, as well as occupational diseases; broken down by gender	Material	278-280	GRI 403-9 (2018) with regard to occupational accident injuries GRI 403-10 (2018) with regard to work-related ill health
Labour Relations			
Organisation of social dialogue including procedures for informing, consulting and negotiating with staff	Material	265-266	GRI 3-3 (2021)
Mechanisms and procedures the company has to promote the involvement of workers in the management of the company, in terms of information, consultation and participation	Material	265-266	GRI 3-3 (2021)
Percentage of employees covered by a collective bargaining agreement by country	Material	266	GRI 2-30 (2021)

Information requested by Act 11/2018	Materiality	Pages of the Report where response is given	Reporting criteria: GRI (2016 version unless otherwise indicated)
Assessment of collective bargaining agreements, particularly in the field of health and safety at work	Material	265-266	GRI 3-3 (2021) GRI 403-4 (2018)
Training			
Policies implemented in the field of training	Material	268-272	GRI 404-2
Total number of training hours by occupational category	Material	268-270	GRI 3-3 (2021) GRI 404-1
Universal accessibility			
Universal accessibility for people with disabilities	Material	262-263	GRI 3-3 (2021)
Equality			
Measures taken to promote equal treatment and equal opportunities between women and men	Material	258-261	GRI 3-3 (2021)
Equality plans, measures taken to promote employment, protocols against sexual and gender-based harassment	Material	258-261, 266, 273-274	GRI 3-3 (2021)
Policy against all types of discrimination and, where applicable, diversity management	Material	256-263	GRI 3-3 (2021)
Respect for human rights			
Management approach: description and results of policies relating to these issues, as well as the main risks related to these issues related to the group's activities	Material	144-146, 176-179, 181-185, 283-297, 322-334	GRI 3-3 (2021)
Application of due diligence procedures			
Application of due diligence procedures in the field of human rights and prevention of the risks of human rights violations and, where applicable, measures to mitigate, manage and repair potential abuses committed	Material	144-146, 176-182, 283-297, 346-350	GRI 2-23 (2021) GRI 2-24 (2021) GRI 2-26 (2021) AF16
Allegations of cases of human rights violations	Material	331	GRI 3-3 (2021) GRI 406-1 AF12, AF13, AF14, AF16
Measures implemented to promote and comply with the provisions of the ILO fundamental conventions relating to respect for freedom of association and the right to collective bargaining; eliminating discrimination in employment and occupation; the elimination of forced or compulsory labour; the effective abolition of child labour	Material	144-146, 176-182, 265-266, 287-297, 322-334	GRI 3-3 (2021) GRI 407-1 GRI 408-1 GRI 409-1
Fight against corruption and bribery			
Management approach: description and results of policies relating to these issues, as well as the main risks related to these issues related to the group's activities	Material	322-334	GRI 3-3 (2021)
Measures adopted to prevent corruption and bribery	Material	322-334	GRI 3-3 (2021) GRI 2-23 (2021) GRI 2-24 (2021) GRI 2-26 (2021) GRI 205-1 to 205-3

Information requested by Act 11/2018	Materiality	Pages of the Report where response is given	Reporting criteria: GRI (2016 version unless otherwise indicated)
Measures to fight money laundering	Material	322-334	GRI 3-3 (2021) GRI 2-23 (2021) GRI 2-24 (2021) GRI 2-26 (2021) GRI 205-1 to 205-3
Contributions to foundations and non-profit entities	Material	181-182, 298-305, 415	GRI 2-28 (2021) GRI 201-1 with regard to community investment GRI 415-1
Information on the company			
Management approach: description and results of policies relating to these issues, as well as the main risks related to these issues related to the group's activities	Material	166-172, 283-319, 341-350, 351	GRI 3-3 (2021)
Company commitments to sustainable development			
The impact of the company's activity on employment and local development	Material	298-314	GRI 3-3 (2021) GRI 203-2
The impact of the company's activity on local populations and on the territory	Material	283-314	GRI 3-3 (2021) GRI 413-1 GRI 413-2
Relations maintained with local community actors and the modalities of dialogue with them	Material	176-182, 283-314	GRI 2-29 (2021) GRI 413-1
Partnership or sponsorship actions	Material	181-182, 283-314, 378-380	GRI 3-3 (2021) GRI 201-1 with regard to community investment
Subcontracting and suppliers			
Inclusion of social, gender equality and environmental matters in the procurement policy	Material	144-146, 290-291, 341-350	GRI 3-3 (2021) GRI 308-1 GRI 414-1 AF6, AF7
Consideration of its social and environmental responsibility in relations with suppliers and subcontractors	Material	236-238, 296-297, 341-350	GRI 2-6 (2021) GRI 308-1 GRI 414-1
Monitoring and audit systems and their results	Material	241-242, 346-349, 372-375	GRI 2-6 (2021) GRI 308-2 GRI 414-2 AF2, AF3, AF8, AF12, AF13, AF14, AF16
Consumers			
Measures for consumer health and safety	Material	241-242, 319, 376-377	GRI 3-3 (2021) GRI 416-1
Claims systems, complaints received and their resolution	Material	318-319	GRI 3-3 (2021) GRI 418-1
Tax information			
The benefits obtained country by country	Material	352	GRI 3-3 (2021) GRI 207-4 (2019)
Tax on profits paid	Material	352-355	GRI 3-3 (2021) GRI 207-4 (2019)
Public subsidies received	Material	353	GRI 201-4

Regulation (EU) 2020/852 - Taxonomy	Materiality	Pages of the Report where response is given	Reporting criteria
Qualitative information			
Accounting policy	Material	358-364	Regulation (EU) 2020/852 Regulation (EU) 2021/2178
Assessment of compliance with Regulation (EU) 2020/852	Material	358-371	Regulation (EU) 2020/852 Regulation (EU) 2021/2178
Contextual information	Material	358-371	Regulation (EU) 2020/852 Regulation (EU) 2021/2178
Quantitative information			
Taxonomy-eligible and aligned turnover	Material	365-366	Regulation (EU) 2020/852 Regulation (EU) 2021/2178 Regulation (EU) 2021/2139 Regulation (EU) 2023/2486
Taxonomy-eligible and aligned CapEx	Material	367-368	Regulation (EU) 2020/852 Regulation (EU) 2021/2178 Regulation (EU) 2021/2139 Regulation (EU) 2023/2486
Taxonomy-eligible and aligned OpEx	Material	369-370	Regulation (EU) 2020/852 Regulation (EU) 2021/2178 Regulation (EU) 2021/2139 Regulation (EU) 2023/2486

9.2.2. SASB reference table

Topic	Accounting Metric	Code	Disclosure
Management of Chemicals in Products	Discussion of processes to maintain compliance with restricted substances regulations	CG-AA-250a.1	Pages 236-242, 349, 376-377
	Discussion of processes to assess and manage risks and/or hazards associated with chemicals in products	CG-AA-250a.2	Pages 236-242, 343-344, 349, 376-377
Environmental Impacts in the Supply Chain	Percentage of tier 1 supplier facilities and supplier facilities beyond tier 1 in compliance with wastewater discharge permits and/or contractual agreement	CG-AA-430a.1	In 2023, 100% of the suppliers and 98% of the factories under the scope of our Green to Wear environmental standard had authorization for all their hydric resources; 100% of suppliers and 99% of the factories had wastewater discharge[1] permits and in 100% of suppliers and 98% of factories the direct or indirect discharge complies with the legal limits or the limits agreed with the External Effluent Treatment Plant. On the other hand, 88% of the suppliers and 92% of the factories under the scope of our Green to Wear environmental standard, meet the Foundational level of ZDHC in its direct discharges. Also, in line with our commitment to ZDHC, 80% of suppliers and 67% of factories comply with ZDHC limits applicable to the substances included in ZDHC Wastewater Guidelines v.1.1 in its direct and indirect discharges. As a consequence of the environmental audits, Corrective Action Plans are carried out in those cases in which it is necessary. During these plans, Inditex teams support suppliers and/or factories to correct the non-compliances detected, in accordance with the Company's philosophy of continuous improvement of the supply chain.
	Percentage of tier 1 supplier facilities and supplier facilities beyond tier 1 that have completed the Sustainable Apparel Coalition's Higg Facility Environmental Module (Higg FEM) assessment or an equivalent environmental data assessment	CG-AA-430a.2	All of our suppliers and manufacturers are audited against our Code of Conduct for Manufacturers and Suppliers, which includes a section on environmental compliance. Specifically, 95% of the suppliers and 93% of the factories active in 2023 which carried out any wet process, and that therefore are under the scope of our Green to Wear standard, have been environmentally audited[2]. These facilities process a large majority of the products that include any of these wet processes. More information on pages 343, 349-350, 373-375

(1) Includes suppliers and factories assigned to suppliers with more than 20,000 purchasing units in the summer and winter 2023 seasons, which are subject to an environmental audit. Calculated as those suppliers and factories whose last environmental audit conducted during the reporting year meets the water discharge criteria included in our Green to Wear standard.

(2) Includes suppliers and factories assigned to suppliers with more than 20,000 purchasing units in the summer and winter 2023 seasons that are under environmental audit scope. Calculated as the quotient of the number of suppliers/factories that have been environmentally audited (GtW or EPA) over the total number of suppliers/ factories under environmental audit scope.

Topic	Accounting Metric	Code	Disclosure
Labor Conditions in the Supply Chain	Percentage of tier 1 supplier facilities and supplier facilities beyond tier 1 that have been audited to a labor code of conduct, percentage of total audits conducted by a third-party auditor	CG-AA-430b.1	All our suppliers and manufacturers are audited against our Code of Conduct for Manufacturers and Suppliers. This verification is carried out initially through a pre-assessment audit –carried out to all companies before they can become part of our supply chain– and subsequently periodically through social audits. Specifically, 57% of the suppliers and 58% of the factories active in the year 2023 were audited either through a pre-assessment or social audit during this same period[3]. To contextualise this data, it is necessary to take into account that the periodicity of the social audits varies depending on the ranking obtained in the previous audit. In this sense, the interval between audits of suppliers or manufacturers with A or B rankings will be longer than in those with a C or D ranking. In financial year 2023, 97% of suppliers active were ranked A o B. In 2023, 2,111 pre-assessment audits were carried out (99% carried out by external auditors), and 6,892 social audits (97% carried out by external auditors). Regardless of whether the audits are performed by internal or external auditors, the methodology used is both Inditex's own audit methodology and SLCP's. More information on pages 343, 346-348, 373-375
	Priority non-conformance rate and associated corrective action rate for suppliers' labor code of conduct audits	CG-AA-430b.2	Pages 343-348, 373-375
	Description of the greatest labor and environmental, health, and safety risks in the supply chain	CG-AA-430b.3	Pages 150-161, 286-297
Raw Materials Sourcing	List of priority raw materials; for each priority raw material: environmental and/or social factor(s) most likely to threaten sourcing, discussion on business risks and/or opportunities associated with environmental and/or social factors, and management strategy for addressing business risks and opportunities	CG-AA-440a.3	Pages 150-161, 206-211, 226-228, 231-233, 236-242, 296-297, 343-345
	Amount of priority raw materials purchased, by material, and (2) amount of each priority raw material that is certified to a third-party environmental and/or social standard, by standard	CG-AA-440a.4	Pages 239
Activity Metrics	Number of tier 1 suppliers and suppliers beyond tier 1	CG-AA-000.A	In 2023, Inditex's supply chain comprised 1,733 suppliers - equivalent to tier 1 and defined as direct suppliers with which Inditex maintains a commercial relationship –which, in turn, used 8,123 factories for the Group's productions– equivalent to suppliers beyond tier 1. Fashion item suppliers with production of over 20,000 units in the summer and winter 2023 campaigns are included. Suppliers with lower productions account for 0.19% of total production. Factories declared by suppliers in the product traceability systems for the orders of the summer and winter 2023 campaigns are included.

(3) Including suppliers and factories allocated to suppliers with more than 20,000 purchasing units in the summer and winter 2023 seasons. Calculated as those suppliers and factories with a pre-assessment or social audit performed during the reporting period.

9.2.3. GRI Content Index

Statement of use	INDITEX has reported in accordance with the GRI Standards for the period 01/02/2023 to 31/01/2024
GRI 1 used	GRI 1: Foundation 2021
Applicable GRI Sector Standards	Not applicable

GRI Standard	Disclosure	Page number(s) and/or direct answer	Omissions	External Assurance	Global Compact principle
GENERAL DISCLOSURES					
GRI 2: GENERAL DISCLOSURES 2021					
	THE ORGANIZATION AND ITS REPORTING PRACTICES				
	2-1 Organizational details	166, 180 Industria de Diseño Textil, S.A. For further information about the nature and legal form of the Company, refer to the 2023 Annual Corporate Governance Report available at the corporate web page of Inditex, Investors section, Good Corporate Governance heading. As for the location of the Company's headquarters, it is as follows: Avenida de la Diputación s/n Edificio Inditex, Arteixo, A Coruña, Spain Information about the location of the operations is available at the Annex I of the Annual Accounts: 'Composition of the Inditex Group', available at the corporate web page of Inditex, Investors section, Financial Information heading.			
	2-2 Entities included in the organization's sustainability reporting	124 For further information about the entities included in the consolidated financial statements, refer to the Annex I of the Annual Accounts: 'Composition of the Inditex Group', available at the corporate web page of Inditex, Investors section, Financial Information heading.			

GRI Standard	Disclosure	Page number(s) and/or direct answer	Omissions	External Assurance	Global Compact principle
	2-3 Reporting period, frequency and contact point	124 The Annual Report provides an account of Inditex Group's economic, social and environmental performance during financial year 2023, which runs from 1 February 2023 to 31 January 2024. It is a report which is published annually, and its date of publication for this financial year is 13/03/2024. Contact Details Individual Shareholders' Department accionistas@inditex.com Tel.: +34 901 33 02 12 Fax: +34 981 18 53 65 Investors Relations ir@inditex.com Tel.: +34 981 18 53 64 Fax: +34 981 18 53 65 Communication and Corporate Affairs press@inditex.com Tel.: +34 981 18 54 00 Inditex S.A. Edificio Inditex Avda. de la Diputación, s/n 15143 Arteixo, A Coruña, Spain +34 981 18 54 00 www.inditex.com			
	2-4 Restatements of information	183-187, 194, 197, 198, 226, 250, 268, 274, 281, 318, 331 In respect of information presented for a different time horizon or covering a different entity than in previous reporting periods, the nuances of such changes are disclosed alongside the indicator in question.			
	2-5 External assurance	126, 418-421			
	ACTIVITIES AND WORKERS				
	2-6 Activities, value chain and other business relationships	113, 117-120, 145-146, 166-169, 176-182, 341-342, 372-373		√ Pg. 418-421	

GRI Standard	Disclosure	Page number(s) and/or direct answer	Omissions	External Assurance	Global Compact principle
	2-7 Employees	250-255 The employee breakdown by type of contract (permanent/ temporary) by region is: the Americas, 18,535 people - 93% permanent (1,428 people - 7% temporary), in Spain, 41,712 people - 87% permanent (6,049 people - 13% temporary), Europe (ex- Spain,) 61,350 people - 79% permanent (16,681 people - 21% temporary) and in Asia and rest of the world, 9,624 people - 62% permanent (5,902 people - 38% temporary). By region is: the Americas, 6,710 people - 34% full-time (13,253 people - 66% part-time), in Spain, 24,838 people - 52% full-time (22,923 people - 48% part-time), in Europe (ex-Spain), 27,798 people - 36% full-time (50,233 people - 64% part-time) and in Asia and rest of the world, 8,146 people – 52% full-time (7,380 people - 48% part-time). This data represents 100% of our employees. The employees with no guaranteed hours represent 2,378 people - 1.5% of the total workforce (1,744 women - 1.5% of the total, and 635 men - 1.5% of the total), and the 2.5% of the part-time employees (2.4% women and 3% men). This group is concentrated in markets in Asia and rest of the world. This data represents 100% of our employees.		√ Pg. 418-421	Principle 6
	2-8 Workers who are not employees		Information on non-employee workers is not available in the Company's systems with the required breakdown. Inditex is working on improving its systems to report this information.		
	GOVERNANCE				
	2-9 Governance structure and composition	130-141, 322-324 For further information about the Company's governance structure and practices, refer to the 2023 Annual Corporate Governance Report, available at the corporate web page of Inditex, Investors section, Corporate Governance heading.			
	2-10 Nomination and selection of the highest governance body	130-132 For further information about the Company's governance structure and practices, refer to the 2023 Annual Corporate Governance Report, available at the corporate web page of Inditex, Investors section, Corporate Governance heading.			

GRI Standard	Disclosure	Page number(s) and/or direct answer	Omissions	External Assurance	Global Compact principle
	2-11 Chair of the highest governance body	131 For further information about the Company's governance structure and practices, refer to the 2023 Annual Corporate Governance Report, available at the corporate web page of Inditex, Investors section, Corporate Governance heading.			
	2-12 Role of the highest governance body in overseeing the management of impacts	130-133, 139-141, 176-178, 184, 323-332 For further information about the Company's governance structure and practices, refer to the 2023 Annual Corporate Governance Report, available at the corporate web page of Inditex, Investors section, Corporate Governance heading.			
	2-13 Delegation of responsibility for managing impacts	130-141 For further information about the Company's governance structure and practices, refer to the 2023 Annual Corporate Governance Report, available at the corporate web page of Inditex, Investors section, Corporate Governance heading.			
	2-14 Role of the highest governance body in sustainability reporting	124 The Board of Directors is the body responsible for reviewing and authorising the issuance of the Annual Report which includes the Statement on Non-Financial Information.			
	2-15 Conflicts of interest	323-326 For further information about the related-party transactions and conflicts of interest, refer to the 2023 Annual Corporate Governance Report, available at the corporate web page of Inditex, Investors section, Corporate Governance heading.			
	2-16 Communication of critical concerns	139-141, 176-179 For further information, refer to the 2023 Annual Corporate Governance Report, available at the corporate web page of Inditex, Investors section, Corporate Governance heading.			
	2-17 Collective knowledge of the highest governance body	132-139 For further information about the Company's governance structure and practices, refer to the 2023 Annual Corporate Governance Report, available at the corporate web page of Inditex, Investors section, Corporate Governance heading.			
	2-18 Evaluation of the performance of the highest governance body	139-144 For further information about the evaluation of the highest governance body's performance, refer to the 2023 Annual Corporate Governance Report, available at the corporate web page of Inditex, Investors section, Corporate Governance heading.			

GRI Standard	Disclosure	Page number(s) and/or direct answer	Omissions	External Assurance	Global Compact principle
	2-19 Remuneration policies	138-144, 264-265 For further information, refer to the Annual Report on Remuneration of Directors for 2023 and the 2023 Annual Corporate Governance Report, available at the corporate web page of Inditex, Investors section, Corporate Governance heading.			
	2-20 Process to determine remuneration	138-144, 264-265 For further information, refer to the Annual Report on Remuneration of Directors for 2023 and the 2023 Annual Corporate Governance Report, available at the corporate web page of Inditex, Investors section, Corporate Governance heading.			
	2-21 Annual total compensation ratio	138-144, 264-265 For further information, refer to the 2023 Annual Corporate Governance Report, available at the corporate web page of Inditex, Investors section, Corporate Governance heading.			
	STRATEGY, POLICIES AND PRACTICES				
	2-22 Statement on sustainable development strategy	105, 107-108			
	2-23 Policy commitments	130-134, 139, 144-146, 147, 168, 169-175, 191-192, 230-232, 260, 274, 285, 298, 299, 325, 327, 343-344, 351 Code of Conduct, available at the corporate web page of Inditex, Group section, Ethical Commitment heading.			Principle 10
	2-24 Embedding policy commitments	130-134, 139-142, 144-146, 147-148, 169-175, 191-193, 257-263, 274, 323-334, 343-350, 351			Principle 10
	2-25 Process to remediate negative impacts	144-146, 326-334			Principle 10
	2-26 Mechanism for seeking advice and raising concerns	329-334			Principle 10
	2-27 Compliance with laws and regulations	197, 319 During 2023, Inditex Group did not receive any significant fines or non-monetary sanctions for non-compliance with laws or regulations applicable to it through any of the channels available to that end.			
	2-28 Membership associations	171, 181-182, 229, 235-236, 242, 287, 300-301, 343, 310-314			

GRI Standard	Disclosure	Page number(s) and/or direct answer	Omissions	External Assurance	Global Compact principle
	STAKEHOLDER ENGAGEMENT				
	2-29 Approach to stakeholder engagement	176-184			
	2-30 Collective bargaining agreements	265-266			Principle 3
MATERIAL TOPICS					
	3-1 Process to determine material topics	183-185			
	3-2 List of material topics	185-187			
CLIMATE CHANGE					
GRI 3: MATERIAL TOPICS 2021					
	3-3 Management of material topics	105, 107-108, 183-187, 190-224 Inditex has a dedicated Energy Strategy and is working to minimise its impact on climate change all along its value chain. To that end we are streamlining our logistics processes, promoting energy efficiency in our facilities and making progress on our commitment to using renewable sources of energy. Further information about Inditex Global Energy Strategy is available at the corporate web page of Inditex, Sustainability section, Reporting heading.			
GRI 302: ENERGY 2016					
	302-1 Energy consumption within the organization	197-203		√ Pg. 418-421	Principle 7 y 8
	302-2 Energy consumption outside of the organization	194, 197-203		√ Pg. 418-421	Principle 8
	302-3 Energy intensity	197-203			Principle 8
	302-4 Reduction of energy consumption	197-203		√ Pg. 418-421	Principle 8 y 9
	302-5 Reductions in energy requirements of products and services	197-203			Principle 8 y 9
GRI 305: EMISSIONS 2016					
	305-1 Direct (scope 1) GHG emissions	193-197		√ Pg. 418-421	Principle 7 y 8
	305-2 Energy indirect (scope 2) GHG emissions	193-197		√ Pg. 418-421	Principle 7 y 8

GRI Standard	Disclosure	Page number(s) and/or direct answer	Omissions	External Assurance	Global Compact principle
	305-3 Other indirect (scope 3) GHG emissions	193-197		√ Pg. 418-421	Principle 7 y 8
	305-4 GHG emissions intensity	193-197			Principle 8
	305-5 Reduction of GHG emissions	193-197, 198		√ Pg. 418-421	Principle 8 y 9
OTHER DISCLOSURES: ENERGY					
	AF21 Amount of energy consumed and percentage of the energy that is from renewable sources	198		√ Pg. 418-421	
POLLUTION					
GRI 3: MATERIAL TOPICS 2021					
	3-3 Management of material topics	105, 107-108, 183-187, 190-192, 199-203, 225-229, 234-247			
GRI 303: WATER AND EFFLUENTS 2018					
	303-2 Management of water discharge-related impacts	201, 225-229, 346, 349-350 The water supplied to all workplaces, whether for processing or consumption, is withdrawn from authorised public supply networks, so that Inditex does not have any impact on protected habitats. Moreover, all of its water supply comes from areas experiencing low or no water stress.			Principle 8
GRI 305: EMISSIONS 2016					
	305-6 Emissions of ozone-depleting substances (ODS)	199-202, 343 We have plans in place to replace air conditioning units in headquarters, distribution centres and stores with more efficient Class A units which enable us to avoid the emission of ozone-depleting substances. In addition, though the different measures implemented in our facilities, such as the renovation of climate control systems for example, the energy performance and efficiency is boosted. These actions to foster energy efficiency, coupled with the materialisation of our commitment to renewable energy, are key in our commitment to reducing the GHG emissions associated with our business activities.			Principle 7 y 8

GRI Standard	Disclosure	Page number(s) and/or direct answer	Omissions	External Assurance	Global Compact principle
	305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	201	Not applicable. We do not disclose information about other air emissions as they are considered non-material due to the characteristics of the devices and the equipment review frequency stipulated in prevailing legislation (controls are not necessary). The emission of particles deriving from transportation is generated by outsourced carriers so that this indicator is not applicable to the Group. Nevertheless, Inditex fosters enhanced emissions management and control in its value chain through the tool that enables calculation of emissions in accordance with the GHG Protocol, coupled with the definition of action plans.		Principle 7 y 8
GRI 306: WASTE 2020					
	306-5 Waste directed to disposal	246-247	The Company's systems are not currently capable of producing disclosures about the waste diverted from disposal in its proprietary stores and construction and refurbishment works with the level of detail required. Inditex has a number of projects underway with the aim of being able to comply with this disclosure requirement in future years.	√ Pg. 418-421	Principle 8

GRI Standard	Disclosure	Page number(s) and/or direct answer	Omissions	External Assurance	Global Compact principle
WATER MANAGEMENT					
GRI 3: MATERIAL TOPICS 2021					
	3-3 Management of material topics	105, 107-108, 160, 183-187, 223-229 The Global Water Management Strategy (available at the corporate web page of Inditex, Sustainability section, Reporting heading) constitutes a roadmap for sustainable and rational water management, working towards better conservation of the environmental quality of river and marine ecosystems. Inditex is also committed to achieving zero discharge of unwanted substances, which contributes to the sustainability of water resources.			
GRI 303: WATER AND EFFLUENTS 2018					
	303-1 Interactions with water as a shared resource	225-229			Principle 7 y 8
	303-3 Water withdrawal	225-227			Principle 8
	303-4 Water discharge	225-227 Further information about water discharges, available at the corporate web page of Inditex, Sustainability section, Reporting heading.			
	303-5 Water consumption	226 Inditex discloses information about water consumption at all of its offices, own factories, own logistics centres and all its own stores worldwide. The water supplied to all workplaces, whether for processing or consumption, is withdrawn from authorised public supply networks. Moreover, all of its water supply comes from areas experiencing low or no water stress.	The disclosure of water consumption in areas experiencing water stress is not applicable as Inditex's business is to distribute fashion garments (clothing, footwear and accessories) and home textile products, which it procures as finished products from its suppliers. In short, water consumption is not material on account of its business model and all of its water supply is sourced from areas that present low or no water stress. As for its suppliers, the Company has a number of policies and assessment and improvement programmes (e.g., Code of Conduct for Manufacturers and Suppliers, Green to Wear, etc.) designed to drive environmental sustainability across its supply chain.	√ Pg. 418-421	

GRI Standard	Disclosure	Page number(s) and/or direct answer	Omissions	External Assurance	Global Compact principle
BIODIVERSITY AND ECOSYSTEMS					
GRI 3: MATERIAL TOPICS 2021					
	3-3 Management of material topics	105, 107-108, 183- 187, 230-233 In the Code of Conduct, Inditex pledges to minimise the environmental impact of its products in respect of their entire life cycle. Inditex' Biodiversity Policy (available at the corporate web page of Inditex, Sustainability section, Reporting heading) sets down its biodiversity protection and conservation targets, which it defined following the principles established in the United Nations Convention on Biological Diversity and acknowledging the work of the International Union for Conservation of Nature (IUCN). To guarantee application of this strategy, these principles are layered into the master plans of each of the key areas comprising the business model. The Inditex Group applies responsible production standards in relation to the use of products of animal origin. Inditex has a dedicated animal welfare policy, included in the Sustainability Policy, and a Biodiversity Strategy, which establish management criteria throughout the value chain, both documents available at the corporate web page of Inditex, Sustainability section, Reporting heading.			
GRI 304: BIODIVERSITY 2016					
	304-1 Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas		Not applicable. The sites owned by Inditex are neither adjacent to nor located within protected areas or areas of high biodiversity value, so that its activities do not have a significant impact in biodiversity.		Principle 8
	304-2 Significant impacts of activities, products and services on biodiversity	160, 230-233			Principle 8

GRI Standard	Disclosure	Page number(s) and/or direct answer	Omissions	External Assurance	Global Compact principle
	304-3 Habitats protected or restored	230-233 Inditex is committed to protecting and nurturing biodiversity by means of responsible and sustainable management of natural resources. For further information, refer to the Group's Biodiversity Strategy and Forest Product Policy, available at the corporate web page of Inditex, Sustainability section, Reporting heading.	Not applicable. Inditex's business is to distribute fashion garments (clothing, footwear and accessories) and home textiles, which it procures as finished products from its suppliers; as a result there are no habitats protected or restored as a result of its business activities.		Principle 8
	304-4 IUCN Red List species and national conservation list species with habitats in areas affected by operations	Inditex is committed to protecting and nurturing biodiversity by means of responsible and sustainable management of natural resources. For further information, refer to the Group's Biodiversity Strategy and Forest Product Policy, available at the corporate web page of Inditex, Sustainability section, Reporting heading.	Not applicable. Inditex's business is to distribute fashion garments (clothing, footwear and accessories) and home textiles, which it procures as finished products from its suppliers; as a result the organisation's operations have no direct impact on any habitats. As for its suppliers, the Company has a number of programmes (e.g., The List by Inditex, Green to Wear, etc.) designed to drive environmental sustainability across its supply chain.		Principle 8
CIRCULAR ECONOMY AND EFFICIENT USE OF RESOURCES					
GRI 3: MATERIAL TOPICS 2021					
	3-3 Management of material topics	105, 107-108, 183- 187, 234-247			
GRI 301: MATERIALS 2016					
	301-1 Materials used by weight or volume	236-237 In terms of the materials used in the packaging of our products, the Group reports information by weight for those that are collected at our logistics centres. This data does not include packaging that is generated in the stores or that may reach the customer. We are working to be able to report this information in future years.		√ Pg. 418-421	Principle 7
	301-2 Recycled input materials used	234-240		√ Pg. 418-421	Principle 8

GRI Standard	Disclosure	Page number(s) and/or direct answer	Omissions	External Assurance	Global Compact principle
	301-3 Reclaimed products and their packaging materials	243-245		√ Pg. 418-421	Principle 8
GRI 306: WASTE 2020					
	306-1 Waste generation and significant waste-related impacts	234-240, 243-247			Principle 8
	306-2 Management of significant waste-related impacts	234-236, 243-247			Principle 8
	306-3 Waste generated	245-247 None of the waste generated is disposed of by deep well injection or stored on site.	The Company's systems are not currently capable of producing disclosures about the waste diverted from disposal in its proprietary stores and construction and refurbishment works with the level of detail required. Inditex has a number of projects underway with the aim of being able to comply with this disclosure requirement in future years.	√ Pg. 418-421	Principle 8
	306-4 Waste diverted from disposal	246-247	The Company's systems are not currently capable of producing disclosures about the waste diverted from disposal in its proprietary stores and construction and refurbishment works with the level of detail required. Inditex has a number of projects underway with the aim of being able to comply with this disclosure requirement in future years.	√ Pg. 418-421	Principle 8
OTHER DISCLOSURES: MATERIALS					
	AF18 Programs to replace organic-based adhesives and primers with water-based adhesive and primers	237-240, 243-245			

GRI Standard	Disclosure	Page number(s) and/or direct answer	Omissions	External Assurance	Global Compact principle
	AF20 List of environmentally preferable materials used in apparel and footwear products	236-240			
FAIR WORKING CONDITIONS					
GRI 3: MATERIAL TOPICS 2021					
	3-3 Management of material topics	105, 107-108, 144-146, 183-187, 250-274, 283-297			
GRI 401: EMPLOYMENT 2016					
	401-1 New employee hires and employee turnover	Voluntary turnover at the Inditex Group was 43% (43% in women, 42% in men and 110% in non-binary people). By age category, turnover was 66% among the under 30s, 19% among those aged between 30 and 40; and 9% for those over the age of 40. Turnover varied considerably by region, reaching 92% in Asia, followed by the Americas with a 65%, 44% in Europe (excluding Spain); and 16% in Spain. Non voluntary turnover was 50% (50% in women, 47% in men and 16% in non-binary people). By age category, turnover was 75% among the under 30s, 22% among those aged between 30 and 40; and 13% for those over the age of 40. Turnover varied considerably by region, reaching 85% in Spain, followed by Europe (excluding Spain) with a 41%, 25% in the Americas, and 16% in Asia. During 2023, 2,616 people have joined Inditex (excluding the Russia, Argentina and Uruguay effect), of which 32% are women and 68% are men. 100% of the hires are over the age of 40. Most of them took place in Spain, with 58%; followed by Asia, with 39% and the Americas, with 3% of new employees.		√ Pg. 418-421	Principle 6
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	The Group provides the same benefits to temporary and part-time workers as it does to full-time workers.			
	401-3 Parental leave	273-274	Information relating to all the markets of the Group.	√ Pg. 418-421	Principle 6

GRI Standard	Disclosure	Page number(s) and/or direct answer	Omissions	External Assurance	Global Compact principle
GRI 402: LABOR/MANAGEMENT RELATIONS 2016					
	402-1 Minimum notice periods regarding operational changes	The collective bargaining agreements in force do not include a minimum notice period for officially communicating significant operational changes at Inditex. However, whenever a significant development takes place, it is notified with the advance notice stipulated in prevailing legislation (article 41 of the Spanish Workers' Statute).			Principle 3
GRI 407: FREEDOM OF ASSOCIATION AND COLLECTIVE BARGAINING 2016					
	407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	145, 283-291, 348 Inditex's Code of Conduct specifically addresses the right to freedom of association and collective bargaining. That Code applies to all of the Group's operations. The Code of Conduct for Manufacturers and Suppliers, which applies to all of the Group's suppliers, also enshrines this right. The programme for supervising compliance with Inditex's Code of Conduct for Manufacturers and Suppliers assesses compliance with workers' right to freedom of association.			Principle 3
GRI 408: CHILD LABOR 2016					
	408-1 Operations and suppliers at significant risk for incidents of child labor	145, 292-293, 346-348 The programme for supervising compliance with Inditex's Code of Conduct for Manufacturers and Suppliers, which applies to all of the Group's operations and suppliers, assesses the level of compliance with prohibition of child labour, as stated in said Code.			Principle 5
GRI 409: FORCED OR COMPULSORY LABOR 2016					
	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	145, 292-293, 346-348 The programme for supervising compliance with Inditex's Code of Conduct for Manufacturers and Suppliers, which applies to all of the Group's operations and suppliers, assesses the level of compliance with prohibition of forced labour, as stated in said Code.			Principle 4
OTHER DISCLOSURES: CODE OF CONDUCT					
	AF1 Code of conduct content and coverage	322-323, 343-344 For further information, refer to the Code of Conduct and the Code of Conduct for Manufacturers and Suppliers, both available at the corporate web page of Inditex, Sustainability section, Reporting heading.			
	AF7 Number and locations of workplaces covered by code of conduct	323, 374-375, The Code of Conduct for Manufacturers and Suppliers applies to 100% of Inditex's suppliers and manufacturers. For further information about supply chain identification, refer to the corporate web page of Inditex, Sustainability section, Reporting heading.		√ Pg. 418-421	
OTHER DISCLOSURES: NON-COMPLIANCE FINDINGS					
	AF9 Incidents of non-compliance with legal requirements or collective bargaining agreements on wages	348			

GRI Standard	Disclosure	Page number(s) and/or direct answer	Omissions	External Assurance	Global Compact principle
	AF10 Incidents of non-compliance with overtime standards	348			
	AF11 Incidents of non-compliance with standards on pregnancy and maternity rights	348			
	AF12 Incidents of the use of child labor	348		√ Pg. 418-421	
	AF13 Incidents of non-compliance with standards on gender discrimination	348		√ Pg. 418-421	Principle 6
	AF14 Incidents of non-compliance with code of conduct	348		√ Pg. 418-421	
OTHER DISCLOSURES: REMEDIATION					
	AF16 Remediation practices to address non-compliance findings	349-350, 375		√ Pg. 418-421	
OTHER DISCLOSURES: EMPLOYMENT					
	AF22 Policy and practices regarding the use of employees with non-permanent and non-fulltime status	254-255			
	AF23 Policy regarding the use of home working	273-274			
	AF24 Policy on the use and selection of labor brokers including adherence to relevant ILO Conventions	144, 265-266, 292-293, 343 Inditex analyses and controls compliance with its Sustainability Strategy by its suppliers by means of a specific Code of Conduct for Manufacturers and Suppliers compliance programme.			

GRI Standard	Disclosure	Page number(s) and/or direct answer	Omissions	External Assurance	Global Compact principle
OTHER DISCLOSURES: WAGER AND HOURS					
	AF25 Policy and practices on wage deductions that are not mandated by law	Inditex does not apply wage deductions that are not mandated by law.			
	AF26 Policy on working hours, including definition of overtime, and actions to prevent excessive and forced overtime	265-266 According to the Group's Code of Conduct, weekly working hours and overtime cannot exceed the limits stipulated in each country's labour legislation. Overtime is in all instances voluntary and remunerated as set down in applicable regulations. Furthermore, the Inditex Group's Policy on Human Rights sets down its zero tolerance stance towards forced or compulsory labour, as defined in ILO Convention 29. All of the foregoing applies to its own employees and its supply chain workers and any other natural and/or legal person related with Inditex. Moreover, the Code of Conduct sets down how the Group upholds and fosters compliance with human and labour rights, expressly committing to apply applicable regulations and best practices in the areas of employment terms and occupational health and safety, forbidding all forms of violence, harassment and abuse in the workplace.			Principle 4
OTHER DISCLOSURES: LABOR/MANAGEMENT RELATIONS					
	AF29 Percentage of workplaces where there is one or more independent trade union(s)	265-266 44% of Inditex's workplaces have trade union representation (47% in 2022).			
	AF30 Percentage of workplaces where, in the absence of a trade union, there are worker-management committees, broken down by country	The Group does not participate in worker-management committees in the absence of a trade union.			
HEALTH, SAFETY AND WELL-BEING					
GRI 3: MATERIAL TOPICS 2021					
	3-3 Management of material topics	105, 107-108, 183-187, 241-242, 274-282, 294-295, 319, 343-349, 373-377			
GRI 403: OCCUPATIONAL HEALTH AND SAFETY 2018					
	403-1 Occupational health and safety management system	275			

GRI Standard	Disclosure	Page number(s) and/or direct answer	Omissions	External Assurance	Global Compact principle
	403-2 Hazard identification, risk assessment, and incident investigation	274-282			
	403-3 Occupational health services	277-278			
	403-4 Worker participation, consultation, and communication on occupational health and safety	274-282 The committees in place represent all workers to the same degree (management and employees) and all agreements are endorsed by management. All of the committees reach agreements related with worker health and safety. During the reporting period, Inditex had agreements in effect with unions at the local and international levels which address aspects such as personal protection gear, regular inspections, skills training and education, and grievance mechanisms, among others.			
	403-5 Worker training on occupational health and safety	275-276			
	403-6 Promotion of worker health	277-278, 294-295			
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	274-282, 294-295, 319, 343			
	403-8 Workers covered by an occupational health and safety management system	274-276, 294-295			
	403-9 Work-related injuries	278-280		√ Pg. 418-421	
	403-10 Work-related ill health	278-280		√ Pg. 418-421	

GRI Standard	Disclosure	Page number(s) and/or direct answer	Omissions	External Assurance	Global Compact principle
GRI 416: CUSTOMER HEALTH AND SAFETY 2016					
	416-1 Assessment of the health and safety impacts of product and service categories	241-242, 319, 376-377		√ Pg. 418-421	
	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	241-242, 319, 376-377		√ Pg. 418-421	
OTHER DISCLOSURES: MATERIALS					
	AF19 Practices to source safer alternative substances to those on the restricted substances list, including description of associated management systems	241-242, 343, 346			
OTHER DISCLOSURES: OCCUPATIONAL HEALTH AND SAFETY					
	AF31 Initiatives and programs to respond to, reduce, and prevent the occurrence of musculoskeletal disorders	278			
DIVERSITY, EQUALITY AND INCLUSION					
GRI 3: MATERIAL TOPICS 2021					
	3-3 Management of material topics	105, 107-108, 134-137, 183-187, 250-251, 256-265, 292-293			
GRI 405: DIVERSITY AND EQUAL OPPORTUNITY 2016					
	405-1 Diversity of governance bodies and employees	134-137, 250-252, 254-256, 258, 262 For further information about diversity on the Board of Directors, refer to the 2023 Annual Corporate Governance Report, available at the corporate web page of Inditex, Investors section, Corporate Governance heading.		√ Pg. 418-421	Principle 6

GRI Standard	Disclosure	Page number(s) and/or direct answer	Omissions	External Assurance	Global Compact principle
	405-2 Ratio of basic salary and remuneration of women to men	138-139, 264-265 At Inditex there is wage parity between men and women: in 2023, in total salary, women have been paid 0.5% more than men. Should there be any situation where this is not met, specific action plans would be established for each situation: specific and more focused pay equity analysis, communication and awareness.raising plans aimed at those responsible for the corresponding market/brand, provision of an additional budget to make the necessary pay adjustments, etc.		√ Pg. 418-421	Principle 6
GRI 406: NON-DISCRIMINATION 2016					
	406-1 Incidents of discrimination and corrective actions taken	331		√ Pg. 418-421	Principle 6
OTHER DISCLOSURES: DIVERSITY AND EQUAL OPPORTUNITY					
	AF27 Policy and actions to protect the pregnancy and maternity rights of women workers	273-274, 292-293			
	AF32 Actions to address gender discrimination and to provide opportunities for the advancement of women workers	258-261, 264-265, 292-293			Principle 6
TALENT MANAGEMENT					
GRI 3: MATERIAL TOPICS 2021					
	3-3 Management of material topics	105, 107-108, 183-187, 267-272			
GRI 404:TRAINING AND EDUCATION 2016					
	404-1 Average hours of training per year per employee	268-270 The average number of training hours for the year 2023 has been 17,2 hours/employee (17,1 hours for women, 17,4 hours for men, 30,9 hours for non-binary people, and 38,3 for unspecified gender-other). The data pertaining to the number of training hours broken down by gender is available for all markets, representing 100% of the Group's employees.		√ Pg. 418-421	Principle 6
	404-2 Programs for upgrading employee skills and transition assistance programs	250-259, 267-272 91% of Group employees are under the age of 45, such that the Group does not face the prospect of having to deploy programmes for upgrading employee skills or transition assistance programmes in the near future.			

GRI Standard	Disclosure	Page number(s) and/or direct answer	Omissions	External Assurance	Global Compact principle
	404-3 Percentage of employees receiving regular performance and career development reviews	All of our people's performance is evaluated at least once a year and each brand conducts that process in keeping with its management model. Performance dialogue with store staff is continuous and centres around each person's contribution to store-specific objectives with a focus on career development, in line with one of our hallmark characteristics: internal promotion. In the case of office staff, target delivery and performance are reviewed with each person at least once a year, and objectives are set for the following year. Employee engagement includes dialogue aimed at fostering career development and getting feedback about employee concerns. Variable remuneration is fully tied to the Company's results and each person's contribution to their delivery. For further information about the annual performance review programme, refer to the 2023 Annual Corporate Governance Report, available at the corporate web page of Inditex, Investors section, Corporate Governance heading.			Principle 6
INFORMATION SECURITY AND PRIVACY					
GRI 3: MATERIAL TOPICS 2021					
	3-3 Management of material topics	105, 107-108, 183-187, 335-340			
GRI 418: CUSTOMER PRIVACY 2016					
	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	In 2023 there have been 17 cases where data protection authorities have contacted the company requesting customer-related information (8 in 2022). Of these, 11 cases remain open at year-end (one of them is a pending case from 2018 due to the processing times of the local authority). Throughout this financial year, the Spanish Data Protection Agency imposed a financial penalty of 5,000 euros on the Group Massimo Dutti, S.A. for an issue related to cookies. In addition, during 2023, there has been one case affecting the security of personal data that the Company has deemed necessary to notify the data protection authorities (two in 2022), and in which the affected parties were also contacted to inform them of the situation. Moreover, the Inditex Group did not receive any significant fines concerning breaches of customer privacy or losses of customer data through any of the channels available to that end in 2023.		√ Pg. 418-421	
VALUE CREATION IN THE COMMUNITY					
GRI 3: MATERIAL TOPICS 2021					
	3-3 Management of material topics	105, 107-108, 183-187, 298-314, 351-355			

GRI Standard	Disclosure	Page number(s) and/or direct answer	Omissions	External Assurance	Global Compact principle
GRI 201: ECONOMIC PERFORMANCE 2016					
	201-1 Direct economic value generated and distributed	352, 353, 380 In the financial year 2023 the direct economic value generated by the Inditex Group was: 35,947 million euros (consisting of the Group's revenues); the distributed economic value has been composed, among others, of personnel expenses (5,357 million euros), taxes on profits (1,475 million euros), dividends paid to shareholders (3,736 million euros), and investment in the community (112 million euros). The retained economic value would be the difference between the generated and the distributed.			
	201-2 Financial implications and other risks and opportunities due to climate change	160, 169-175, 203-224			
	201-3 Defined benefit plan obligations and other retirement plans	130, 139-144			
	201-4 Financial assistance received from government	353		√ Pg. 418-421	
GRI 203: INDIRECT ECONOMIC IMPACTS 2016					
	203-1 Infrastructure investments and services supported	301-309, 378-380			
	203-2 Significant indirect economic impacts	304-305, 310-314, 378-380			
GRI 207: TAX 2019					
	207-1 Approach to tax	351-355 Inditex's Tax Policy is available at the corporate web page of Inditex, Group section, Ethical Commitment heading.			
	207-2 Tax governance, control, and risk management	351-355 Inditex's Tax Policy is available at the corporate web page of Inditex, Group section, Ethical Commitment heading.			
	207-3 Stakeholder engagement and management of concerns related to tax	351-355 Inditex's Tax Policy is available at the corporate web page of Inditex, Group section, Ethical Commitment heading.			

GRI Standard	Disclosure	Page number(s) and/or direct answer	Omissions	External Assurance	Global Compact principle
	207-4 Country-by-country reporting	351-355 Inditex's Tax Policy is available at the corporate web page of Inditex, Group section, Ethical Commitment heading.			
GRI 413: LOCAL COMMUNITIES 2016					
	413-1 Operations with local community engagement, impact assessments, and development programs	274-287, 298-314			Principle 1
	413-2 Operations with significant actual and potential negative impacts on local communities	241-242, 298-314, 341-342			Principle 1 y 2
OTHER DISCLOSURES: COMMUNITY INVESTMENT					
	AF33 Priorities in community investment strategy	298-299			
	AF34 Amount of investment in worker communities broken down by location	304-305			
TRANSPARENCY AND QUALITY OF THE INFORMATION					
GRI 3: MATERIAL TOPICS 2021					
	3-3 Management of material topics	105, 107-108, 183-187, 315-319 For further information about the Corporate Governance, refer to the 2023 Annual Corporate Governance Report, available at the corporate web page of Inditex, Investors section, Corporate Governance heading.			
GRI 417: MARKETING AND LABELING 2016					
	417-1 Requirements for product and service information and labeling	238, 315-319 The Group's product health and safety standards are compulsory across the entire production chain (100%).			
	417-2 Incidents of non-compliance concerning product and service information and labeling	The Inditex Group did not record any significant incidences of non-compliance with regulations and voluntary codes concerning product information and labelling through any of the channels available to that end in 2023.			

GRI Standard	Disclosure	Page number(s) and/or direct answer	Omissions	External Assurance	Global Compact principle
	417-3 Incidents of non-compliance concerning marketing communications	The Inditex Group did not record any significant incidents of non-compliance concerning marketing communications through any of the channels available to that end in 2023.			
GOOD GOVERNANCE AND INTEGRITY					
GRI 3: MATERIAL TOPICS 2021					
	3-3 Management of material topics	105, 107-108, 130-132, 140-144, 176-179, 183-187, 322-334 For further information about the Corporate Governance, refer to the 2023 Annual Corporate Governance Report, available at the corporate web page of Inditex, Investors section, Corporate Governance heading.		√ Pg. 418-421	
GRI 205: ANTI-CORRUPTION 2016					
	205-1 Operations assessed for risks related to corruption	322-323 The Code of Conduct addresses the prevention of corruption in all its manifestations. This Code is applicable to 100% of the Group's business units and is available at the corporate web page of Inditex, Group section, Ethical Commitment heading.			Principle 10
	205-2 Communication and training about anti-corruption policies and procedures	332-334		√ Pg. 418-421	Principle 10
	205-3 Confirmed incidents of corruption and actions taken	331		√ Pg. 418-421	Principle 10
GRI 206: ANTI-COMPETITIVE BEHAVIOR 2016					
	206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	331			
GRI 415: PUBLIC POLICY 2016					
	415-1 Political contributions	Inditex's Policy on Donations and Sponsorships expressly prohibits the making of donations to political parties both directly and indirectly. This prohibition is also included in the Code of Conduct of the company, and adds that, as a general rule, no Inditex person may offer, grant, request or accept, directly or indirectly, gifts or invitations, whatever their nature, to or from any authorities or public officials.			Principle 10

GRI Standard	Disclosure	Page number(s) and/or direct answer	Omissions	External Assurance	Global Compact principle
OTHER DISCLOSURES: GRIEVANCE PROCEDURES					
	AF4 Policy and procedures for receiving, investigating, and responding to grievances and complaints	329-331			
RESPONSIBLE MANAGEMENT OF THE SUPPLY CHAIN AND TRACEABILITY					
GRI 3: MATERIAL TOPICS 2021					
	3-3 Management of material topics	105, 107-108, 183-187, 283-297, 341-350			
GRI 308: SUPPLIER ENVIRONMENTAL ASSESSMENT 2016					
	308-1 New suppliers that were screened using environmental criteria	346, 349-350 373		√ Pg. 418-421	Principle 8
	308-2 Negative environmental impacts in the supply chain and actions taken	160, 193-197, 349-350, 373-375		√ Pg. 418-421	Principle 8
GRI 414: SUPPLIER SOCIAL ASSESSMENT 2016					
	414-1 New suppliers that were screened using social criteria	346-348, 373-375		√ Pg. 418-421	Principle 2
	414-2 Negative social impacts in the supply chain and actions taken	346-350, 373-375			Principle 2
OTHER DISCLOSURES: AUDIT PROCESS					
	AF2 Parties and personnel engaged in code of conduct compliance function	283-287, 346			
	AF3 Compliance audit process	346-349			

GRI Standard	Disclosure	Page number(s) and/or direct answer	Omissions	External Assurance	Global Compact principle
	AF8 Number of audits conducted and percentage of workplaces audited	346-349, 373-375		√ Pg. 418-421	
OTHER DISCLOSURES: CAPACITY BUILDING					
	AF5 Strategy and scope of efforts to strengthen capacity of management, workers and other staff to improve in social and environmental performance	146, 259, 266, 267-272, 287-297, 333-334, 344			
OTHER DISCLOSURES: BUSINESS INTEGRATION					
	AF6 Policies for supplier selection, management, and termination	341-350 Inditex's Code of Conduct for Manufacturers and Suppliers stipulates the standards and requirements to which suppliers looking to form part of Inditex's supply chain are bound. It is available at the corporate web page of Inditex, Group section, Ethical Commitment heading.		√ Pg. 418-421	
	AF17 Actions to identify and mitigate business practices that affect code compliance	346-350, 375			
OTHER DISCLOSURES: NON-COMPLIANCE FINDINGS					
	AF15 Analysis of data from code compliance audits	348			

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Independent Verification Report of the Non-financial Information Statement

GRI 2-5

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INDEPENDENT LIMITED ASSURANCE REPORT OF THE CONSOLIDATED NON-FINANCIAL STATEMENT

Translation of a report originally issued in Spanish. In the event of discrepancy, the Spanish-language version prevails

To the Shareholders of Industria de Diseño Textil, S.A.:

Pursuant to article 49 of the Code of Commerce we have performed a verification, with a limited assurance scope, of the accompanying Consolidated Non-Financial Information Statement (hereinafter NFS) for the year ended January 31, 2024 (hereinafter year 2023), of Industria de Diseño Textil, S.A. and subsidiaries (hereinafter, the Group), which is part of the Group's Consolidated Directors Report.

The content of the NFS includes additional information to that required by prevailing mercantile regulations in relation to non-financial information that has not been subject to our verification. In this regard, our assignment has been exclusively limited to the verification of the information shown in table "Index of contents required by Act 11/2018" and the contents subject to external verification included in table "GRI Content Index" of the accompanying NFS.

Responsibility of the Board of Directors

The preparation of the NFS included in the Consolidated Directors Report of the Group and its content is the responsibility of the Board of Directors of Industria de Diseño Textil, S.A. The NFS was prepared in accordance with the content required by prevailing mercantile regulations and in accordance with *Global Reporting Initiative Sustainability Reporting Standards* (GRI standards), as well as those other criteria described according to what is mentioned for each subject in table "Index of contents required by Act 11/2018" and the contents subject to external verification included in table "GRI Content Index" of the NFS.

This responsibility also includes the design, implementation and maintenance of internal control deemed necessary to enable the NFS to be free from material misstatement, whether due to fraud or error.

The board of Directors of Industria de Diseño Textil, S.A. is further responsible for defining, implementing, adapting, and maintaining the management systems from which the information necessary for the preparation of the NFS is obtained.

Our independence and quality management

We have complied with the independence and other ethics requirements of the International Code of Ethics for Accounting Professionals (including international standards on independence) issued by the International Standards Board on Ethics for Accounting Professionals (IESBA) which is based on the fundamental principles of professional integrity, objectivity, competence, and diligence, as well as confidentiality and professional behaviour.

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Our firm applies current international quality standards and maintains, consequently, a quality system that includes policies and procedures related to compliance with ethical requirements, professional standards and legal provisions and applicable regulations.

The work team has been formed by professionals who are experts in reviews of Non-Financial Information and, specifically, in information about economic, social and environmental performance.

Our responsibility

Our responsibility is to express our conclusions in an independent limited assurance report based on the work performed. Our work has been performed in accordance with the requirements established in the current International Standard on Assurance Engagements 3000 "Assurance Engagements Other than Audits or Reviews of Historical Financial Information" (ISAE 3000 Revised) issued by the International Auditing and Assurance Standards Board (IAASB) of the International Federation of Accountants (IFAC) and the guidelines for verifying Non-Financial Statement, issued by the Spanish Official Register of Auditors of Accounts (ICJCE).

The procedures carried out in a limited assurance engagement vary in nature and execution timing and are smaller in scope than reasonable assurance engagements, and therefore, the level of assurance provided is likewise lower.

Our work consisted in requesting information from Management and the various Group units participating in the preparation of the NFS, reviewing the process for gathering and validating the information included in the NFS, and applying certain analytical procedures and sampling review tests as described below:

- Meetings with Group personnel to know the business model, policies and management approaches applied, the main risks related to these matters and obtain the necessary information for our external review.
- Analysis of the scope, relevance and integrity of the content included in the NFS for the year 2023 based on the materiality analysis made by the Group and described in section "Materiality analysis", considering the content required by prevailing mercantile regulations.
- Analysis of the processes for gathering and validating the data included in the 2023 NFS.
- Review of the information on the risks, policies and management approaches applied in relation to the material aspects included in the 2023 NFS.
- Check, through tests, based on a selection of a sample, the information related to the content of the 2023 NFS and its correct compilation from the data provided by the information sources.
- Obtaining a representation letter from the Board of Directors and Management.

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Emphasis paragraph

Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020 on the establishment of a framework to facilitate sustainable investments, as well as the Delegated Acts enacted in accordance with the provisions of that Regulation, settle the obligation to disclose information on how and to what extent the company's activities are associated with eligible economic activities in relation to the environmental objectives of sustainable use and protection of water and marine resources, transition to a circular economy, pollution prevention and control, and protection and restoration of biodiversity and ecosystems (the other environmental objectives), and for certain new activities included in the climate change mitigation and adaptation objectives, for the first time for the financial year 2023, in addition to the information on eligible and aligned activities already required in the 2022 financial year in relation to the climate change mitigation and climate change adaptation objectives. As a result, no comparative information on eligibility has been included in the attached NFIS in relation to the other environmental objectives listed above or to the new activities included in the climate change mitigation and adaptation objectives. On the other hand, to the extent that the information relating to the financial year 2022 was not required with the same level of detail as in the financial year 2023, the disaggregated information in the attached NFIS is also not strictly comparable. In addition, it should be noted that the directors of Industria de Diseño Textil, S.A. have incorporated information on criteria that, in their opinion, allow better compliance with the aforementioned obligations and that are defined in the Section "European Taxonomy of Sustainable Activities" of the attached NFIS. Our conclusion has not been modified in relation to this matter.

Conclusion

Based on the limited assurance procedures conducted and the evidence obtained, no matter has come to our attention that would cause us to believe that the Group NFS for the year 2023 has not been prepared, in all material respects, in accordance with the contents required by prevailing company law and in accordance with GRI standards' criteria as well as other criteria, described as explained for each subject matter in table "Index of contents required by Act 11/2018" and the contents subject to external verification included in table "GRI Content Index" of the NFS.

Use and distribution

This report has been prepared as required by current mercantile regulations in Spain, thus it may not be suitable for any other uses or jurisdiction.

ERNST & YOUNG, S.L.

(Signed on the original in Spanish)

Hildur Eir Jónsdóttir

March 13, 2024

Report on Internal Control Systems (ICFR)

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AUDITOR´S REPORT ON THE "INFORMATION RELATED TO THE SYSTEM OF INTERNAL CONTROL OVER FINANCIAL REPORTING (ICFR)"

Translation of a report and information originally issued in Spanish. In the event of discrepancy, the Spanish-language version prevails

To the Directors of Industria de Diseño Textil, S.A.:

In accordance with the request from the Board of Directors of Industria de Diseño Textil, S.A. (hereinafter the Entity) and our engagement letter dated January 16, 2024, we have performed certain procedures on the "ICFR related information" attached in section F of the 2023 Annual Corporate Governance Report of Industria de Diseño Textil, S.A., which summarizes the internal control procedures of the Entity in relation to the annual financial information.

The Board of Directors is responsible for adopting the appropriate measures in order to reasonably guarantee the implementation, maintenance and supervision of an adequate internal control system as well as developing improvements to that system and preparing and establishing the content of the accompanying ICFR related information attached.

It should be noted that irrespective of the quality of the design and operability of the internal control system adopted by the Entity in relation to its annual financial information, it can only provide reasonable, rather than absolute assurance with respect to the objectives pursued, due to the inherent limitations to any internal control system.

In the course of our audit work on the financial statements and pursuant to the Technical Auditing Standards, the sole purpose of our assessment of the entity´s internal control was to enable us to establish the nature, timing and extent of the audit procedures to be applied to the Entity´s financial statements. Therefore, our assessment of the internal control performed for the purposes of the audit of the financial statements was not sufficiently extensive to enable us to express a specific opinion on the effectiveness of the internal control over the regulated annual financial information.

For the purpose of issuing this report, we exclusively performed the specific procedures described below and indicated in the Guidelines on the Auditors' report relating to information on the Internal Control over Financial Reporting of Listed Companies, published by the Spanish National Securities Market Commission (CNMV) on its website, which establishes the work to be performed, the minimum scope thereof and the content of this report. Given that the scope of these procedures was limited and substantially less than that of an audit or a review of the internal control system, we do not express an opinion on the effectiveness thereof, or its design or operating effectiveness, in relation to Entity's annual financial information for 2023 described in the ICFR related information attached. Consequently, had we performed additional procedures to those established by the Guidelines mentioned above or had we carried out an audit or a review of the internal control over the regulated annual financial reporting information, other matters might have come to our attention that would have been reported to you.

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Likewise, since this special engagement does not constitute an audit of the financial statements in accordance with prevailing audit regulations in Spain, we do not express an audit opinion in the terms provided for therein.

The procedures performed were as follows:

1. Read and understand the information prepared by the Entity in relation to the ICFR - which is provided in the Annual Corporate Governance Report disclosure information included in the Consolidated Directors' Report- and assess whether such information addresses all the required information which will follow the minimum content detailed in section F, relating to the description of the ICFR, as per the model established by CNMV Circular nº 5/2013 dated June 12, 2013 and subsequent amendments, the most recent one being CNMV Circular 3/2021 of September 28, 2021 (hereinafter, the CNMV Circulars).

2. Make enquiries of personnel in charge of preparing the information described in point 1 above in order to: (i) Obtain an understanding of the process followed in its preparation; (ii) Obtain information which will allow us to assess whether the terminology used is adapted to the definitions provided in the reference framework; (iii) Obtain information on whether the control procedures described are implemented and in use by the Entity.

3. Review the explanatory documentation supporting the information described in point 1 above, which should basically include that which is provided directly to those responsible for preparing the ICFR descriptive information. In this respect, the aforementioned documentation includes related reports prepared by the Internal Audit Department, senior management, and other internal and external experts providing support to the Audit and Compliance Committee.

4. Compare the information described in point 1 above with our knowledge of Entity's ICFR obtained as a result of performing the external audit procedures within the framework of the audit of the financial statements.

5. Read the minutes of the meetings held by the Board of Directors, Audit and Compliance Committee and other entity committees in order to assess the consistency between the ICFR issues addressed therein and the information provided in point 1 above.

6. Obtain the representation letter related to the work performed, duly signed by the personnel in charge of preparing the information discussed in point 1 above.

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As a result of the procedures performed, no inconsistencies or issues were observed that might have an impact on ICFR related information.

This report was prepared exclusively within the framework of the requirements stipulated in article 540 of the Consolidated text of the Corporate Enterprises Act and CNMV Circulars on ICFR description in Annual Corporate Governance Reports.

ERNST & YOUNG, S.L.

(signed on the original version In Spanish)

Hildur Eir Jónsdóttir

March 13, 2024

23

INDITEX

Issuer identification details

Year end-date:

31/01/2024

Tax ID (CIF):

A15075062

Company name:

INDUSTRIA DE DISEÑO TEXTIL, (INDITEX, S.A.)

Registered office:

Avda. de la Diputación, Edificio Inditex, Arteixo (A Coruña)

In this Annual Corporate Governance Report, the board of directors of INDUSTRIA DE DISEÑO TEXTIL, S.A. (INDITEX, S.A.) ("**Inditex**" or the "**Company**") has included all the relevant information for financial year 2023, which commenced on 1 February 2023 and ended on 31 January 2024, except where other dates of reference are specifically mentioned.

This Report has been drawn up by the Audit and Compliance Committee in free format in accordance with the provisions of Circular 3/2021 of 28 September of the Spanish National Securities Market Commission ("CNMV" [*Spanish acronym*]) that amends, inter alia, Circular 5/2013, that sets forth the standard form of the annual corporate governance report for listed public limited companies, saving banks and other entities that issue securities admitted to trading on official securities markets

Notwithstanding the foregoing, the contents of this Report meet the minimum requirements laid down in applicable regulations, as provided in section 540 of the Spanish Companies Act (the "Companies Act" or LSC" [*Spanish acronym*]) and in Order ECC/461/2013 of 20 March and is accompanied by the relevant statistical Appendix.

This Annual Corporate Governance Report will be released as other relevant information ("OIR" [*Spanish acronym*]) contemporaneously with the release of the Annual Report on Remuneration of Directors and will be made available on Inditex's corporate website and on CNMV's website.

REGULATORY FRAMEWORK

A) STATUTORY PROVISIONS AND RECOMMENDATIONS

The revised text of the Spanish Companies Act approved by Real Decreto Legislativo 1/2010 of 2 July , substantially amended by Act 31/2014 of 3 December to improve corporate governance and by Act 5/2021 of 12 April as regards encouragement of long-term shareholder engagement in listed companies (**"Act 5/2021**"), represents the basic legal framework of corporate governance in Spain.

In addition, the Good Governance Code of Listed Companies ("**GGC**" or "**Good Governance Code**"), approved by CNMV in February 2015 and amended in part by CNMV's board on 25 June 2020, lists a set of principles and practices that must govern corporate governance in listed companies.

B) INTERNAL REGULATIONS FRAMEWORK

Inditex's corporate governance rules are established in the Articles of Association, the Board of Directors' Regulations, the Regulations of the General Meeting of Shareholders, the terms of reference of board committees, the Internal Regulations of Conduct in the Securities Markets (IRC), the Code of Conduct, the Regulations of the Social Advisory Board, the Regulations of the Cybersecurity Advisory Committee and other corporate policies, as explained in greater detail below:

Articles of Association: this regulation was approved at the Annual General Meeting in July 2000. This is Inditex's core regulation that seeks to determine the proceedings of the General Meeting of Shareholders and covers, inter alia, shareholders' rights and obligations and the basic rules of the organization and the proceedings of the board and its committees.

They have been amended on several occasions, and for the last time on 13 July 2021.

Board of Directors' Regulations: approved by the Board of Directors in July 2000. This set of rules seeks to determine the principles of operation of the Board of Directors, the basic rules for its organization and proceedings and the rules governing the conduct of its members. It provides, inter alia, rules regarding the appointment and removal of directors, their rights and duties and the relations of the Board of Directors with the shareholders, the markets and the external auditor, all with the aim of achieving the highest possible degree of efficiency. This term of reference has been amended several times. The last amendment to this set of rules was approved by the board of directors on 6 June 2023. All said amendments are addressed in greater detail in section C.1.15 below.

Regulations of board committees (Audit and Compliance Committee, Nomination Committee, Remuneration Committee and Sustainability Committee, jointly "**board committees**"):

The terms of reference of the Audit and Compliance Committee, the Nomination Committee, and the Remuneration Committee were approved by the Board of Directors at the meeting held on 9 June 2015. The board of directors approved the Sustainability Committee's Regulations at the meeting held on 16 July 2019 following the committee's formation.

These terms of reference seek to govern the proceedings of board committees as regards their powers, membership, notice, quorum, decision-making and relationship with the remaining governing bodies of the Company.

The latest amendments to the terms of reference of board committees were approved by the board at the meeting held on 12 May 2022. With regard to the terms of reference of the Audit and Compliance Committee, their latest amendment was approved by the board of directors on 6 June 2023.

Regulations of the General Meeting of Shareholders: This set of rules was approved at the Annual General Meeting on 18 July 2003. Its aim is to govern the proceedings of the General Meeting of Shareholders as regards notices, meetings' preparation, information, attendance, proceedings and exercise of voting rights, and to inform shareholders of their rights and duties relating to said body. They have been amended several times, to adapt their provisions to the successive updates of the Articles of Association, and for the last time on 13 July 2021

Internal Regulations of Conduct in the Securities Markets (the "**Internal Regulations of Conduct**" or "**IRC**"): this document provides, inter alia, the rules for processing, safeguarding and disclosing inside information and other relevant information of the Company, the system that governs transactions in Inditex securities and financial instruments carried out by the persons included in its scope, the provisions on prohibition of market manipulation and Inditex's policy on treasury shares.

Originally approved in 2000, the new IRC was approved in 2016 for the purposes of adapting its contents to the European regulatory framework to fight market abuse, made up of Regulation (EU) No 596/2014 of 16 April 2014 on market abuse, Directive 2014/57/EU of 16 April 2014, and their respective implementing regulations..

The IRC has been amended several times. Its latest amendment was approved by the board of directors on 3 November 2022.

Inditex Group's Code of Conduct: the update of the Inditex Group's Code of Conduct has been completed in 2023. The new Code of Conduct was approved by the board of directors at the meeting held on 6 February 2024, following a report from the Audit and Compliance and Sustainability Committees . This Code sets out the ethical commitments of the Group and the principles of action that must guide the way that anyone at Inditex must interact with their colleagues as well as their interaction with the different stakeholders anywhere in the world.

Regulations of the Social Advisory Board: The Social Advisory Board is Inditex's advisory body in the field of social and environmental sustainability. In December 2002, the board of directors authorised its creation and approved its Regulations, which determine the principles of action, the basic rules governing its organization and proceedings and the rules of conduct of its members.

The Regulations of the Social Advisory Board have been amended several times, and for the last time on 16 July 2019 for the purposes of establishing its functional reporting line to the Sustainability Committee.

Regulations of the Cybersecurity Advisory Committee: the Cybersecurity Advisory Committee is Inditex's advisory body in the field of cybersecurity. Its formation and terms of reference were officially approved by the board of directors in November 2023. These Regulations set out its principles of action, the basic rules of its organization and proceedings and the rules of conduct for its members .

Other corporate Policies:

In addition, the board of directors has also approved the following policies:

- The Remuneration Policy for Directors for FY2021, FY2022 and FY2023 (in effect until 31 January 2024) and the new Remuneration Policy for Directors for FY2024, FY2025 and FY2026.
- The Diversity of Board of Directors Membership and Director Selection Policy, approved on 9 December 2015 and last amended on 8 June 2021.
- The Policy on Communication and Contact with Shareholders, Institutional Investors and Proxy Advisors, approved on 9 December 2015.
- The Policy on Disclosure of Economic-Financial, Non-Financial and Corporate Information, approved on 14 December 2020.
- The Enterprise Risk Management Policy, approved on 9 December 2015 and last amended on 14 December 2020.
- The Sustainability Policy, approved on 9 December 2015 and last amended on 3 November 2022.
- The Tax Policy and Strategy. Both of them were approved on 9 December 2015.

Inditex regularly evaluates the appropriateness of the Company's corporate governance system to ensure that it fulfils its mission of promoting the corporate interest and that it considers, where applicable, the legitimate interests of the Group's stakeholders.

To achieve this, Inditex further reviews on a regular basis its internal regulations to encompass every legislative development and ensure their alignment with national and international recommendations and best practices in the field of good corporate governance.

The full text of all the aforementioned documents, as amended, is available on the corporate website: (i) under the "Investors" tab "Corporate Governance" section "Reports & Regulations" subsection, and (ii) under the "Group" tab "Ethical commitment" section.

A. Ownership structure

A.1. Complete the following table on share capital and voting rights attached to shares, including those corresponding to shares with a loyalty vote as of year-end, where appropriate:

Indicate whether articles of association contain the provision of double loyalty voting:

Yes No x

Indicate whether the company has awarded votes for loyalty:

Yes No x

Date of the last share capital change	Share capital (€)	Number of shares	Number of voting rights (not including additional votes for loyalty)	Number of additional voting rights attached to shares with a loyalty vote	Total number of voting rights, including additional votes attached to loyalty shares
20/07/2000: AGM resolution	€93,499,560	3,116,652,000 shares	3,116,652,000	-	3,116,652,000

Indicate whether there are different classes of shares with different rights attached:

Yes No x

Class	Number of shares	Par value	Number of voting rights	Rights and obligations conferred
-	-	-	-	-

All shares are of the same class and series, represented by the book-entry method and are fully paid-up and subscribed.

INDITEX has been listed on the four different Spanish Stock Exchanges since 23 May 2001 and has been part of the selective Ibex 35 index since July 2001. In addition, it has been part of the Euro Stoxx 50 index since September 2011, the MSCI index since November 2001, the Dow Jones Sustainability index since September 2002 and the FTSE4Good index since October 2002.

A.2. List the company's significant direct and indirect shareholders as of year-end, including directors with a significant shareholding:

The Company issues shares represented by the book-entry method. In addition, pursuant to the provisions of section 497 LSC, Inditex has a contract with Sociedad de Gestión de Sistemas de Registro, Compensación y Liquidación de Valores, S.A. (Iberclear) [*Spanish Central Securities Depositary in charge of the Register of Securities, and the Clearing and Settlement of all trades*] for the daily share ownership notification service.

According to the Company's Shareholders Register, the significant direct and indirect shareholders as of 31 January 2024 including directors with a significant shareholding, were those shown below:

Name or company name of shareholder	% of voting rights attached to the shares (including votes for loyalty)		% of voting rights through financial instruments		% of total voting rights	From the total number of voting rights attributed to the shares, indicate, where appropriate, the additional votes attributed corresponding to the shares with a loyalty vote	
	Direct	**Indirect**	**Direct**	**Indirect**		**Direct**	**Indirect**
Mr Amancio Ortega Gaona	- %	59.294 %	- %	- %	59.294 %	- %	- %
Ms Sandra Ortega Mera	- %	5.053 %	- %	- %	5.053 %		

Breakdown of the indirect shareholding:

Name or company name of the indirect owner	Name or company name of the direct owner	% of voting rights attached to the shares (including votes attached to loyalty shares)	% of voting rights through financial instruments	% of total voting rights	From the total number of voting rights attached to the shares, indicate, where appropriate, the additional votes attached to loyalty shares	
Mr Amancio Ortega Gaona	Pontegadea Inversiones, S.L. (*)	50.010 %	- %	50.010 %	-	-
Mr Amancio Ortega Gaona	Partler Participaciones, S.L.U.	9.284 %	- %	9.284 %	-	-
Ms Sandra Ortega Mera	ROSP CORUNNA PARTICIPACIONES EMPRESARIALES, S.L.	5.053 %	- %	5.053 %	-	-

Remarks
(*) Mr Amancio Ortega Gaona owns a 59.294% stake in Inditex's share capital through the companies styled Pontegadea Inversiones, S.L. and Partler Participaciones, S.L.U. Mr Amancio Ortega Gaona and Pontegadea Inversiones, S.L., represented by Ms Flora Pérez Marcote, sit on Inditex's board of directors as proprietary directors.

Indicate the most significant changes in the shareholder structure during the year:

The Company has not received any notices regarding any significant movements in shareholder structure over the year.

A.3. Give details of the stake at financial year-end, of the members of the board of directors who are holders of voting rights attached to shares of the company or through financial instruments, irrespective of the percentage, excluding the directors who have been identified in Section A.2 above:

As at 31 January 2024, the following directors had a stake in the Company:

Name or company name of director	% Voting rights attached to shares		% Voting rights through financial instruments		% Total voting rights	From the total number of voting rights attached to shares, indicate, where appropriate, the additional votes attached to shares with a loyalty vote	
	Direct	Indirect	Direct	Indirect		Direct	Indirect
Ms Marta Ortega Pérez	0.0014 %	-	-	-	0.0014 %	-	-
Mr Óscar García Maceiras	0.0013 %	-	-	-	0.0013 %	-	-
Mr José Arnau Sierra	0.0010 %	-	-	-	0.0010 %	-	-
Bns Denise Patricia Kingsmill	- %	-	-	-	- %	-	-
Ms Anne Lange	- %	-	-	-	- %	-	-
Ms Pilar López Álvarez	0.0002 %	-	-	-	0.0002 %	-	-
Mr José Luis Durán Schulz	0.0001 %	-	-	-	0.0001 %	-	-
Mr Rodrigo Echenique Gordillo	0.0006 %	-	-	-	0.0006 %	-	-
TOTAL	**0.0046 %**				**0.0046 %**		

Total % of voting rights held by the board of directors	59.299%

Total % of voting rights represented on the board of directors	59.299%

A.4. Where applicable, indicate any family, commercial, contractual or corporate relationships that exist among significant shareholders to the extent that they are known to the company, unless they are insignificant or arise in the ordinary course of business, with the exception of those reported in section A.6:

Name or company name of related party	Type of relationship	Brief description
- Ms Sandra and Mr Marcos Ortega Mera.	Family	Ms Sandra and Mr Marcos Ortega Mera are the offspring of Mr Amancio Ortega Gaona, director and indirect shareholder.
- Mr Amancio Ortega Gaona		Mr Amancio Ortega Gaona is an indirect shareholder and the beneficial owner of Inditex via significant shareholders Pontegadea Inversiones, S.L. and Partler Participaciones, S.L.U. and Ms Sandra and Mr Marcos Ortega Mera are indirect shareholders of the Company via significant shareholder Rosp Corunna Participaciones Empresariales, S.L. (where Mr Ortega Mera has a minority shareholding).

The Company has not received notice of any family, commercial, contractual or corporate relationships existing between the owners of significant holdings that are of a relevant nature or that do not arise from the ordinary course of business.

A.5. Where applicable, indicate any commercial, contractual or corporate relationships that exist between significant shareholders and the company and/or its group, unless they are of little relevance or arise in the ordinary course of business:

To conduct its physical retail activity in accordance with the Group's commercial strategy, based on its positioning in prime locations and strategic shopping areas, Inditex and the companies in its Group have several lease agreements in place over business premises owned by its significant shareholders: Pontegadea Inversiones, S.L., Partler Participaciones, S.L.U, and Rosp Corunna Participaciones Empresariales, S.L., and/or any company in their respective groups.

Prior to their execution and approval by Inditex's board of directors, the terms of such lease agreements have been reviewed first by the Audit and Compliance Committee, on the basis of valuation reports issued by independent experts. The committee seeks to establish that these transactions have been carried out on an arm's length basis, are fair and reasonable from the Company's perspective and in the interest of the Company. Likewise, such lease agreements have been disclosed in the relevant annual report on related party transactions that the Company issues every year in accordance with Recommendation 6 GGC.

Furthermore, refurbishment works agreed in 2020 between a non-profit organization related to Mr Ortega and the Group subsidiary engaged in the refurbishment of the stores of the different brands are currently being implemented. The purpose of such works is to build and set in train seven all around care centres to cater to dependent elderly people in the Autonomous Community of Galicia..

The detail of these lease agreements and refurbishment works, among other transactions, the significant shareholder of the Company they are associated with (for the purposes of the provisions of section 529*tervicies* LSC and the amounts accrued in the year, can be found in the Notes to the Consolidated Annual Accounts.

Aside from these lease agreements and construction works, there have been no other commercial, contractual or corporate relationships between significant shareholders and the company that are of a relevant nature or that do not arise from the ordinary course of business.

A.6. Describe the relationships, unless of little relevance to both parties, existing between significant shareholders or shareholders represented on the Board and directors, or their representatives in the case of directors that are legal persons.

Explain, where applicable, how the significant shareholders are represented. Specifically, indicate the directors appointed to represent significant shareholders, those whose appointment was proposed by significant shareholders, or who are linked to significant shareholders and/or companies in their group, specifying the nature of those relationships or ties. In particular, mention the existence, identity and position of any directors of the listed company, or their representatives, who are in turn members or representatives of members of the Board of Directors of companies that hold significant shareholdings in the listed company or in group companies of these significant shareholders.

Name or company name of related director or representative	Name or company name of related significant shareholder	Company name of the group company of the significant shareholder	Description of relationship/position
Mr Amancio Ortega Gaona	PONTEGADEA INVERSIONES, S.L.	PONTEGADEA INVERSIONES, S.L.	Chair of the Board
	PONTEGADEA INVERSIONES, S.L.	PONTEGADEA INMOBILIARIA, S.L.U.	Chair of the Board
	PARTLER 2006, S.L.	PARTLER 2006, S.L.	Chair of the Board
	PARTLER 2006, S.L..	PARTLER PARTICIPACIONES, S.L.U.	Chair of the Board
Ms Marta Ortega Pérez	PONTEGADEA INVERSIONES, S.L.	PONTEGADEA INVERSIONES, S.L.	Ordinary member
	PARTLER 2006, S.L.	PARTLER 2006, S.L.	1st Deputy Chair
	PARTLER 2006, S.L.	PARTLER PARTICIPACIONES, S.L.U.	1st Deputy Chair
Mrs Flora Pérez Marcote (Legal representative of PONTEGADEA INVERSIONES S.L.)	PONTEGADEA INVERSIONES, S.L.	PONTEGADEA INVERSIONES, S.L.	1st Deputy Chair
	PONTEGADEA INVERSIONES, S.L.	PONTEGADEA INMOBILIARIA, S.L.U.	1st Deputy Chair
Mr José Arnau Sierra	PONTEGADEA INVERSIONES, S.L.	PONTEGADEA INVERSIONES, S.L.	2nd Deputy Chair
	PONTEGADEA INVERSIONES, S.L.	PONTEGADEA INMOBILIARIA, S.L.U.	2nd Deputy Chair

PONTEGADEA INVERSIONES, S.L.	PONTEGADEA ESPAÑA, S.L.U.	Joint Director
PONTEGADEA INVERSIONES, S.L.	ESPARELLE 2016, S.L.	Sole Director (Legal representative of PONTEGADEA INMOBILIARIA, S.L.U.)
PONTEGADEA INVERSIONES, S.L.	PONTEGADEA DIECIOCHO, S.L.	Sole Director (Legal representative of PONTEGADEA INVERSIONES, S.L.)
PONTEGADEA INVERSIONES, S.L.	SOBRADO FORESTAL 2014, S.L.	Sole Director
PONTEGADEA INVERSIONES, S.L.	PONTEGADEA LUXEMBOURG Sarl	Ordinary member
PONTEGADEA INVERSIONES, S.L.	PONTEGADEA FRANCE S.A.S.	Legal representative of the Chair of the Company, PONTEGADEA INMOBILIARIA, S.L.U.
PONTEGADEA INVERSIONES, S.L.	MONTAIGNE REAL ESTATE S.A.S.	Sole Director
PONTEGADEA INVERSIONES, S.L.	PRIMA CINQUE S.p.A.	Chair of the Board
PONTEGADEA INVERSIONES, S.L.	PG REAL ESTATE INTEREST Ltd.	Ordinary member
PONTEGADEA INVERSIONES, S.L.	PONTEGADEA INMOBILIARIA S.A. de C.V.	Chair of the Board
PONTEGADEA INVERSIONES, S.L.	PONTEGADEA CANADA Inc.	Chair of the Board
PONTEGADEA INVERSIONES, S.L.	PG COMPASS CANADA Inc.	Chair of the Board
PONTEGADEA INVERSIONES, S.L.	PONTEGADEA KOREA Inc.	Ordinary member
PONTEGADEA INVERSIONES, S.L.	PONTEGADEA USA Inc.	Chair of the Board
PONTEGADEA INVERSIONES, S.L.	PONTEGADEA IRELAND Ltd	Ordinary member
PONTEGADEA INVERSIONES, S.L.	FIF HOLDINGS PROTEONIC Sarl	Ordinary member
PONTEGADEA INVERSIONES, S.L.	POLAR ROOSENDAL LOGISTICS PROPCO B.V.	Sole Director (Legal representative of FIF HOLDINGS PROTEONIC Sarl)
PONTEGADEA INVERSIONES, S.L.	FIF PROPERTY IRELAND 1 Ltd.	Ordinary member
PONTEGADEA INVERSIONES, S.L.	FIF PROPERTY IRELAND 2 Ltd.	Ordinary member
PARTLER 2006, S.L.	PARTLER 2006, S.L.	2nd Deputy Chair
PARTLER 2006, S.L.	PARTLER PARTICIPACIONES, S.L.U.	2nd Deputy Chair
PARTLER 2006, S.L.	FONGADEA RECOLETOS 7-9, S.L.	Sole Director (Legal representative of PARTLER 2006, S.L.)
PARTLER 2006, S.L.	PONTE GADEA PORTUGAL - INVESTIMENTOS IMOBILIARIOS E HOTELEIROS S.A.	Chair of the Board
PARTLER 2006, S.L.	PONTEGADEA AMOREIRAS - SOCIEDADE IMOBILIARIA S.A.	Chair of the Board
PARTLER 2006, S.L.	ALMACK Ltd.	Ordinary member
PARTLER 2006, S.L.	BOXER US Inc	Chair of the Board

Remarks:

As stated in sections A.2 and A.4 above, Mr Amancio Ortega Gaona is an indirect shareholder of Inditex through two significant shareholders: Partler Participaciones, S.L.U. and Pontegadea Inversiones, S.L. This latter is a member of Inditex's board of directors, with Ms Flora Pérez Marcote, the spouse of Mr Amancio Ortega Gaona, as its legal representative. Director and board chair, Ms Marta Ortega Pérez is the daughter of Mr Ortega and Ms Pérez. In turn, Mr Ortega, Ms Ortega and Ms Pérez sit on the board of directors of significant shareholder Pontegadea Inversiones, S.L. and the former two are also members of the board of directors of Partler Participaciones, S.L.U., as explained in the table above.

A.7. Indicate whether the company has been notified of any shareholders' agreements that may affect it, in accordance with the provisions of Articles 530 and 531 of the Spanish Companies Act (LSC). If so, describe them briefly and list the shareholders bound by the agreement:

Yes No x

Indicate whether the company is aware of any concerted actions amongst its shareholders. If so, provide a brief description::

Yes No x

The Company has not received any notices regarding the making of shareholders' agreements nor does it have any proof of the existence of concerted actions amongst its shareholders.

A.8. Indicate whether any individual or company exercises or may exercise control over the company in accordance with Article 5 of the Securities Market Act. If so, identify them:

Yes x No

Name or company name
Mr Amancio Ortega Gaona

Remarks:

Mr Amancio Ortega Gaona owns a 59.294% stake in Inditex's share capital through PONTEGADEA INVERSIONES, S.L. and PARTLER PARTICIPACIONES, S.L.U.

A.9. Complete the following table with details of the company's treasury shares: At the close of the year:

Number of direct shares	Number of indirect shares	Total percentage of share capital
3,582,419	-	0.115 %

Explain any significant changes during the year:

As at 31 January 2023, the Company owned 4,932,514 treasury shares, representing 0.158% of the share capital.

The incentive for the second cycle (2020-2023) of the 2019-2023 Long-Term Incentive Plan was paid in 2023. Such Plan (the "2019-2023" Plan), addressed to the management and other employees of the Inditex Group was approved at the Annual General Meeting held on 16 July 2019.. The part of the incentive in shares was delivered to the beneficiaries of the Plan charged against treasury stock held by the Company as at the delivery date. 1,350,095 shares representing 0.043% of the share capital were delivered.

Consequently, as at 31 January 2024, the Company owned 3,582,419 treasury stock representing 0.115% of the share capital.

A.10. Provide a detailed description of the conditions and terms of the authority given to the Board of Directors to issue, buy back, or transfer treasury shares.

As at the date of this report, the authorisation granted to the board of directors at the Annual General Meeting held on 11 July 2023 to acquire treasury shares remains in force. Said authorisation superseded the previous authorisation approved at the Annual General Meeting held on 16 July 2019.

The resolution passed at the AGM held on 11 July 2023 above-mentioned regarding agenda item 8 is transcribed below:

"To grant authority to the board of directors so that it may, in accordance with the provisions of sections 146 and 509 LSC proceed to the acquisition on the market of own shares, either directly or through any subsidiaries in which the Company is the controlling company, observing the statutory limits and requirements and under the following conditions:

a) Methods of acquisition: the acquisition shall be done, once or several times, through purchase and sale, exchange, dación en pago [acceptance in lieu of payment], or as otherwise permitted in statute.

b) *Maximum number of treasury stock to be acquired: shares with a nominal value wich, added to that of those shares, directly or indirectly in the possession of the Company, do not exceed 10% of the share capital.*

c) *Maximum and minimum prices: the minimum share acquisition price shall be their nominal value and the maximum price shall be up to 105% of their market value at the date of purchase.*

d) *Purpose: for the purposes of the provisions of section 146.1(a) LSC, it is hereby stated that shares acquired under this authority may be used by the Company, inter alia, to be delivered to employees or directors of the Company, either directly or as result of the exercise of the option right they may hold, under remuneration schemes for employees of the Company or its Group. Likewise, shares acquired under this authority may be disposed of or depreciated, in full or in part, or be used, in full or in part, to achieve potential corporate or business transactions or decisions, as well as any other purpose legally permitted.*

e) *Duration of the authorisation: five (5) years from the date of this resolution. This authorisation supersedes the authority approved at the Annual General Meeting held on 16 July 2019".*

As provided in section A.9 above, the board of directors approved on 12 July 2022, under the authorisation conferred at the Annual General Meeting as described above, a temporary share buy-back programme for the Company to fulfil the requirements of shares delivery to the beneficiaries of the second cycle of the 2019-2023 Plan as well as of the first cycle, and if appropriate, the second cycle of the 2021-2025 Plan. approved at the Annual General Meeting held on 13 July 2021. The description of such Plan is included in the Annual Report and in the Annual Report on Remuneration of Directors.

A.11. Estimated free float:

	%
Estimated free float	35.5334 %
For these purposes, 0.0046% of the share capital owned by Inditex directors listed in section A.3 is not included as part of the free float.	

A.12. Indicate whether there are any restrictions (articles of association, legislative or of any other nature) placed on the transfer of shares and/or any restrictions on voting rights. In particular, indicate the existence of any type of restriction that may impede a takeover of the company through acquisition of its shares on the market, as well as any regimes for preliminary authorisation or notification that may be applicable, under sector regulations, to acquisitions or transfers of the company's financial instruments.

Yes No x

All Company shares carry the same voting and economic rights, and there are no legal or by-law restrictions on the acquisition or transfer of shares.

As regards the exercise of voting rights, the only restriction is that provided in section 83.1 LSC, according to which any shareholder who is in arrears regarding any outstanding payments may not exercise their voting right.

There are no restrictions either to absentee voting, as any shareholder can exercise this right.

A.13. Indicate whether the General Meeting of Shareholders has resolved to adopt measures to neutralise a takeover bid by virtue of the provisions of Act 6/2007.

Yes No x

A.14. Indicate whether the company has issued shares that are not traded on a regulated EU market.

Yes No x

B. General Meeting of Shareholders

The General Meeting of Shareholders duly convened and with a quorum present in accordance with all statutory requirements and those provided in the Articles of Association and its own Regulations, is the supreme and sovereign body of expression of the will of the company. Its resolutions are binding on all shareholders, including absent or dissenting ones, without prejudice to any remedies they may have in law.

In accordance with the Articles of Association and the Regulations of the General Meeting of Shareholders, the General Meeting is authorised to pass all kinds of resolutions concerning the Company. In particular, subject to any other powers vested by the applicable regulations, the exercise of the following powers is reserved to this body:

a) To resolve on the individual annual accounts of the Company and, where appropriate, on the consolidated accounts of the Company and its Group, as well as on the distribution of the income or loss;

(b) To approve the statement on non-financial information;

(c) To appoint, re-elect and dismiss directors, as well as to confirm or revoke the interim appointments of directors made by the Board of Directors, and to review their management;

(d) To approve the adoption of remuneration systems consisting of granting either shares or stock options, as well as any other remuneration system linked to the value of the shares, for the benefit of directors;

(e) To approve the remuneration policy for directors pursuant to statutory terms;

(f) To conduct, as a separate agenda item, an advisory say-on-pay vote on the Annual Report on Remuneration of Directors;

(g) To authorise the release of the directors from the duty of preventing conflicts of interest and of the prohibitions arising from the duty of loyalty, when the authorisation to release them is attributed by statute to the General Meeting of Shareholders, as well as from the obligation not to compete with the Company;

(h) To authorise the Board of Directors to increase the Company's share capital, or to proceed to the issue of bonds convertible into Company's shares;

(i) To resolve the issue of bonds convertible into Company shares or that allow bondholders to participate in the company's earnings, the increase or the reduction of the share capital, the exclusion or restriction of the pre-emptive right, the transformation, merger, split-off or winding-up of the Company, the global assignment of assets and liabilities, the approval of the final balance sheet of liquidation, the transfer of the registered office abroad, as well as any other amendment whatsoever of the Articles of Association;

(j) To authorise treasury share buy-back;

(k) To approve the related-party transactions that the General Meeting must approve pursuant to statute;

(l) To approve the transactions that entail a structural amendment in the Company, namely: (i) the transformation of listed companies into holding companies, through "*subsidiarization*" or the assignment to subsidiaries of core activities theretofore carried out by the Company, even though the Company retains full control of those entities; (ii) the acquisition, disposal or contribution to another company of essential assets; and, (iii) any transactions that entail an effective amendment of the corporate objects and those having an effect equivalent to the liquidation of the Company;

(m) To appoint, re-elect and remove the statutory auditor;

(n) To appoint and remove, where appropriate, the Company's liquidators;

(o) To approve the Regulations of the General Meeting of Shareholders and any subsequent amendment thereof;

(p) To resolve on the matters submitted to it by a resolution of the Board of Directors;

(q) To give directions to the Board of Director or submit to the General Meeting of Shareholders' prior authorisation, the passing by the Board of Directors of decisions or resolutions on certain management matters; and

(r) To grant to the Board of Directors any powers it may deem suitable for dealing with unforeseen issues.

The board of directors must call the Annual General Meeting once a year, within the first six months of the closing of each financial year, in order to, at least, review the company's management, approve, where appropriate, the accounts of the previous year and resolve on the distribution of income or loss.

Pursuant to sections 168 and 495.2(a) LSC, the Extraordinary General Meeting shall meet when the board of directors so resolves or when a number of shareholders representing at least three percent (3%) of the share capital so request, expressing in the request the business to be transacted. In this latter case, the General Meeting of Shareholders shall be called within the term provided in the applicable regulations and the agenda of the meeting must include the businesses that were the subject of the request.

In the notice calling the General Meeting of Shareholders, the board of directors shall require the presence of a Notary to take up the minutes of the General Meeting.

General Meetings must be convened by the board of directors by notice published in the Official Gazette of the Companies Register or in one of the newspapers with the largest circulation in Spain, on the Company's website and on CNMV's website, at least one (1) month in advance of the day scheduled for the meeting to be held, or within any longer period required by statute, where appropriate, on account of the scope of the resolutions submitted for deliberation. The notice must state the name of the Company, the day, time and method to conduct the general meeting and, if appropriate, the venue where the meeting will be held, as well as the date on which, if appropriate, the General Meeting shall be held on second call. There must be at least a 24-hour period between the first and the second calls. The notice shall likewise state, clearly and precisely, all the business to be transacted therein.

Where the board of directors resolves this possibility and it is announced in the notice, attendance at the Annual General Meeting may be in person or remote, or even, where circumstances so advise, a virtual-only general meeting can be called. In any case, remote attendance shall be subject to ensuring that the identity of shareholders and proxy holders is duly guaranteed and that all attendees can effectively participate at the general meeting, both to exercise, in real time, the relevant rights to speak, to receive information, raise proposals and vote they are entitled to, and to follow the participation of the other attendees by the above-mentioned means. In these cases, the board of directors shall implement in the notice calling the meeting the procedure to exercise shareholders' rights.

No later than the date of publication, or in any case, on the business day that immediately follows, the Company shall send the notice calling the meeting to CNMV, and to the Governing Organisations of the Stock Exchanges where the company's shares are listed for its insertion in the relevant Listing Bulletins. The text of the notice shall also be available on the Company's website.

Notwithstanding the above, the General Meeting shall be deemed to have been duly called and a quorum shall be deemed to be present to discuss any matter, whenever the whole share capital is present and all those attending unanimously agree to hold the meeting.

The Annual General Meeting was held on 11 July 2023 on first call, with shareholders and proxy holders attending and participating both in person and remotely, with means enabling remote and real-time connection having been made available. All of which is in accordance with article 15 and 15*bis* of the Articles of Association and section 11*bis* of the Regulations of the General Meeting of Shareholders.

All members of the board of directors attended the 2023 Annual General Meeting except for Mr Amancio Ortega Gaona. Directors attended the AGM in person, except for Bns. Denise Patricia Kingsmill, who attended remotely.

In 2023, an external facilitator has carried out a comprehensive legal analysis of the documentation to establish that it is consistent and that all applicable regulations have been met.

B.1. Indicate whether there are any differences between the minimum quorum regime established by the Spanish Companies Act (LSC) for General Meetings of Shareholders and the quorum set by the company, and if so give details.

Yes x No

	% required for quorum if different than that set out in section 193 LSC for general matters	**% required for quorum if different than that set out in section 194 LSC for special cases therein described**
Quorum required on 1st call	50% of the subscribed voting stock	— %
Quorum required on 2nd call	— %	— %

Description of differences:

Article 18.1 of the Articles of Association and section 16 of the Regulations of the General Meeting provide that a quorum shall be present at the General Meeting on first call when shareholders attending in person or by poxy represent at least 50% of the subscribed voting stock. On second call, generally, a quorum will be present at the General Meeting irrespective of the capital attending the same. However, if the General Meeting of Shareholders is called to decide on an increase or a reduction of the share capital, the issue of bonds convertible into Company shares or that entitle bondholders to participate in the company's earnings, the exclusion or restriction of the pre-emptive right, the transformation of the Company, the merger by creation of a new company or by absorption of the Company by another entity, its spin-off in whole or in part, the global assignment of assets and liabilities, the substitution of the company's objects as well as any other amendment whatsoever to the Articles of Association, the attendance of 25% of the subscribed voting stock on second call shall be required.

Therefore, the only difference between said rules and the provisions of the Companies Act lies in the quorum required to hold the General Meeting on first call: under the Articles of Association and the Regulations of the General Meeting of Shareholders, a quorum will be present at the General Meeting to validly pass any resolution when shareholders present or represented by proxy represent at least 50% percent of the subscribed voting stock, whereas in accordance with sections 193 and 194 LSC, said quorum will only be required to be present on first call for the General Meeting to pass resolutions on the matters described in section 194 exclusively.

This qualified quorum may not be deemed a restriction on Company control, as it is only applicable to first calls.

This is expressly permitted by section 193 LSC, which provides that a higher quorum may be established in the articles of association.

B.2. Indicate whether there are any differences between the company's manner of adopting corporate resolutions and the regime provided in the Spanish Companies Act (LSC) and, if so, give details:

Yes No x

B.3. Indicate the rules for amending the company's articles of association. In particular, indicate the majorities required for amendment of the articles of association and any provisions in place to protect shareholders' rights in the event of amendments to the articles of association.

Pursuant to the provisions of sections 285 *et seq*. LSC, it is incumbent on the General Meeting of Shareholders to resolve on any amendment to the Articles of Association.

Rules applicable to the amendment of the company's by-laws are provided in the Articles of Association and the Regulations of the General Meeting of Shareholders. Article 18 of the Articles of Association and section 16 of the Regulations of the General Meeting of Shareholders provide a special quorum for the first call of the Annual General Meeting that is to address any amendment to the Articles of Association. In particular, section 16 of the Regulations of the General Meeting of Shareholders reads as follows:

"*A quorum shall be present at the General Meeting of Shareholders on first call when shareholders who are present or represented by proxy hold at least fifty (50) percent of the subscribed share capital with the right to vote. In general, on second call, a quorum shall be present at the General Meeting, regardless of the share capital attending same. However, if the General Meeting of Shareholders is convened to decide on an increase or a reduction of the share capital, the issue of bonds convertible for shares in the Company, or bonds that confer on bondholders a stake in the company's earnings, the exclusion or restriction of the pre-emptive right, the transformation of the Company, the merger by establishment of a new company or by absorption of the Company by another entity, its split-off in whole or in part, the global assignment of assets and liabilities, the transfer of the registered office abroad, the substitution of the company objects as well as any other amendment whatsoever of the Articles of Association, attendance of twenty-five (25) percent of the subscribed share capital with the right to vote shall be required on second call.*"

Pursuant to the terms of section 285 LSC, as an exception to the provisions above, it is incumbent on Inditex's board of directors to relocate the registered office within the national territory, as no stipulation to the contrary is provided in the Articles of Association.

In turn, section 6.(i) of the Regulations of the General Meeting of Shareholders expressly assigns to the General Meeting of Shareholders the power to approve any amendment to the Articles of Association: *"In accordance with the provisions of the Articles of Association, the General Meeting of Shareholders is authorised to pass all kinds of resolutions concerning the Company, the following powers being namely reserved thereto, without prejudice to any other powers vested by the applicable regulations: [...] (i) To resolve the issue of bonds convertible into Company's shares or that allow bondholders to participate in the company's earnings, the increase or the reduction of the share capital, the exclusion or restriction of the pre-emptive right, the transformation, merger, split-off or winding-up of the Company, the global assignment of assets and liabilities, the approval of the final balance sheet of liquidation, the transfer of the registered office abroad, as well as any other amendment whatsoever of the Articles of Association*"

B.4. Give details of attendance at General Meetings of Shareholders held during the reporting year and the two previous years:

	Attendance data				
			% absentee voting		
AGM Date	% physically present	% present by proxy	Electronic voting	Others	Total
13/07/2021	0.07 %	88.35 %	0 % (1)	0,31 % (1)	88.73 %
Of which float	0.07 %	24.00 %	0 %	0.31 %	24.38 %
12/07/2022	0.01 %	87.53 %	0 % (2)	0,54 % (2)	88.08 %
Of which float	0.01 %	23.18 %	0 %	0.54 %	23.73 %
11/07/2023	0.02 %	86.83 %	0 % (3)	2,10 % (3)	88.95 %
Of which float	0.02 %	22.49 %	0 %	2.10 %	24.61 %

(1) 187 shareholders cast absentee vote through distance communication means, by post, or electronic vote.
(2) 312 shareholders cast absentee vote through distance communication means, by post, or electronic vote.
(3)355 shareholders cast absentee vote through distance communication means, by post, or electronic vote.

B.5. Indicate whether there were any items on the agenda that were not approved by shareholders for any reason, for all general meetings that took place in the year.

Yes No x

None of the agenda items subject to deliberation at the Annual General Meeting held on 11 July 2023 was rejected or not approved for any other reason. All agenda items were approved with the percentages and in the manner shown in the vote results available on the Company's corporate website.

B.6. Indicate whether the articles of association contain any restrictions requiring a minimum number of shares to attend General Meetings of Shareholders, or to cast absentee votes:

Yes No x

Number of shares required to attend General Meetings	**1**
Number of shares required to cast absentee vote	**1**

B.7. Indicate whether it has been established that certain decisions, other than those established by statute, entailing an acquisition, disposal or contribution to another company of essential assets or other similar corporate transactions must be submitted for approval to the General Meeting of Shareholders.

Yes No x

The General Meeting of Shareholders has no powers other than those established by statute.

In accordance with the Articles of Association and the Regulations of the General Meeting of Shareholders, the latter is authorised to pass all kinds of resolutions concerning the Company and, in particular, subject to any other powers vested by the applicable regulations, the exercise of the powers listed at the beginning of section B above is reserved to this body.

B.8. Indicate the address and manner of accessing on the company's website information pertaining to corporate governance and other information regarding General Meeting of Shareholders that must be made available to shareholders through the company website.

The most relevant information on the Company's corporate governance system (Articles of Association, Regulations of the General Meeting of Shareholders, Board of Directors' Regulations, the terms of reference of each board committee, the IRC, as well as board and committees' membership, the Annual Corporate Governance Report and the Annual Report on Remuneration of Directors) can be found in the "Investors" tab, "Corporate Governance" section, "Reports & Regulations" subsection on the corporate website (https://www.inditex.com/itxcomweb/en/investors/corporate-governance/reports-and-regulations).

In that same section, information on the General Meeting is provided in the "Annual General Meeting" subsection, where a tab is available for each Annual General Meeting. Shareholders have access to all mandated or recommended information from the date the meeting is called so that they can duly exercise their rights to information and participation at the General Meeting. The Annual General Meeting is webcast live, and a link is provided for that purpose on those tabs. Once the meeting has been held, information on the resolutions passed and the votes results is also posted on the website.

C. Company Management Structure

C.1. Board of Directors

Except for any matters exclusively within the purview of the shareholders at the General Meeting of Shareholders, the board of directors is the highest decision-making, supervisory and monitoring body of the Company, as it is entrusted with its administration, management and representation, delegating as a general rule the management of the day-to-day business of the Company to the executive bodies and the management team and focusing on the general supervisory function, which includes guiding Inditex's policy, monitoring the management bodies, assessing the officers' management, making the most relevant decisions for the Company and liaising with shareholders.

It is also incumbent on the board of directors to ensure that the Company enforces its social and ethical duties, and its duty to act in good faith with regard to its relationship with its employees and with third parties, as well as to ensure that no individuals or small groups of individuals have decision power within the company that has not been subject to counterweights and controls, and that no shareholder receives a more privileged treatment than the others.

The board of directors carries out its duties in accordance with corporate interests, which are understood to be the viability and maximisation of the company's value in the long term, in the interest of all the shareholders, which shall not prevent taking into account the rest of the legitimate interests, either public or private, that concur in the undertaking of each business activity, especially those of the other "stakeholders" of the Company (employees, customers, manufacturers and suppliers, business partners and the communities where the Group operates), determining and reviewing its business and financial strategies pursuant to said criterion, striving to achieve a reasonable balance between the proposals chosen and the risks taken.

C.1.1. Maximum and minimum number of directors established in the articles of association and the number set by the general meeting:

Maximum number of directors	12
Minimum number of directors	5
Number of directors set by the general meeting	10

C.1.2. Complete the following table on board members:

Name or company name of director	Representative	Directorship type	Position on the board	Date first appointed to the board	Date of last appointment	Election procedure
Ms Marta Ortega Pérez		Proprietary	Non-Executive Chair	29/11/2021[1]	12/07/2022	AGM
Mr Óscar García Maceiras González		Executive	CEO	29/11/2021	12/07/2022	AGM
Mr Amancio Ortega Gaona		Proprietary	Ordinary member	12/06/1985	11/07/2023	AGM
Mr José Arnau Sierra		Proprietary	Deputy Chair	12/06/2012	13/07/2021	AGM
PONTEGADEA INVERSIONES, S.L.	Ms Flora Pérez Marcote	Proprietary	Ordinary member	09/12/2015	14/07/2020	AGM
Bns Denise Patricia Kingsmill		Independent	Ordinary member	19/07/2016	14/07/2020	AGM
Ms Anne Lange		Independent	Ordinary member	10/12/2019	14/07/2020	AGM
Ms Pilar López Álvarez		Independent	Ordinary member	17/07/2018	12/07/2022	AGM
Mr José Luis Durán Schulz		Independent	Ordinary member	14/07/2015	11/07/2023	AGM
Mr Rodrigo Echenique Gordillo		Independent	Lead Independent Director	15/07/2014	12/07/2022	AGM
Total number of directors					**10**	

[1] Effective as of 01/04/2022

Indicate any removals, whether through resignation or by resolution of the general meeting, that have occurred on the board of directors during the reporting period:

Name or company name of director	Directorship type at the time of removal	Date of last appointment	Date of termination	Specialized committees of which he/she was a member	Indicate whether the director left before the end of his or her term of office
Mr Emilio Saracho Rodríguez de Torres	Affiliate	16/07/2019	11/07/2023	Executive Committee Audit and Compliance Committee Remuneration Committee Sustainability Committee	Yes (end of his term of office: 16/07/2023)

Reason for removal when this occurs before the end of the term of office and other observations; information on whether the director has sent a letter to the remaining members of the board and, in the case of removal of non-executive directors, explanation or opinion of the director dismissed by the general meeting:

July 2022 marked the 12th anniversary of the election of Mr Emilio Saracho Rodríguez de Torres to the board of directors. As he no longer qualified as independent director, being instead an "affiliate" director, he tendered his resignation to the board, pursuant to applicable internal regulations,

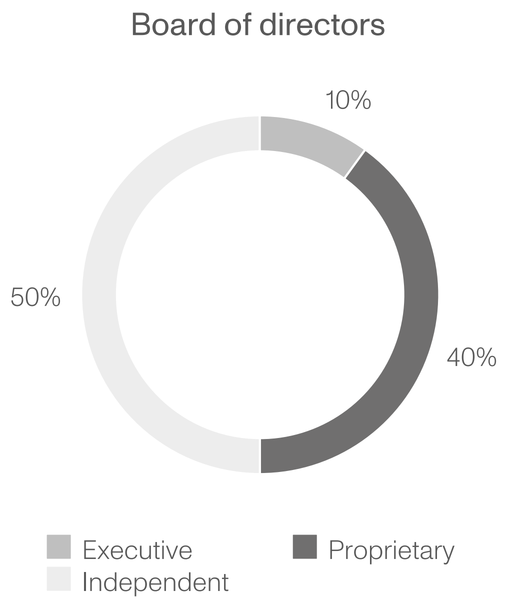
At the meeting held on 7 June 2022, the board of directors resolved to retain Mr Saracho as a member of the board, with the category of "affiliate" until the end of his tenure (16/07/ 2023). The decision was made as it was deemed convenient to ensure a high level of stability and balance on the board at such a transition time.

Since his term of office expired only a few days after the Annual General Meeting, scheduled to be held on 11 July 2023 on first call, Mr Saracho announced his decision to step down from the board, its committees and the Executive Committee effective as of 11 July 2023 in a letter sent to the Chair of the board.

The board of directors acknowledged the resignation tendered by Mr Saracho at the meeting held on 6 June 2023 and resolved to raise to shareholders at the Annual General Meeting the resolution about the reduction in the number of board seats, fixing it at 10, within the limits set in the Articles of Association. Such reduction was approved at the Annual General Meeting on 11 July 2023.

C.1.3. Complete the following tables on the members of the board and their directorship type:

The structure of the board of directors is addressed in detail in the sections below



1) EXECUTIVE DIRECTORS

Name or company name of the director	Position within the company's organization chart	Profile
Mr Óscar García Maceiras	CEO	(1)

Total number of executive directors	1
% of all directors	10.00 %

Remarks
N/A

2) NON-EXECUTIVE PROPRIETARY DIRECTORS

Name or company name of director	Name or corporate name of the significant shareholder whom they represent or who has proposed their appointment	Profile
PONTEGADEA INVERSIONES, S.L.	Mr Amancio Ortega Gaona	(2)
Mr Amancio Ortega Gaona	Mr Amancio Ortega Gaona	(2)
Mr José Arnau Sierra	Mr Amancio Ortega Gaona	(2)
Ms Marta Ortega Pérez	Mr Amancio Ortega Gaona	(2)

Total number of proprietary directors	4
% of all directors	40.00 %

Remarks
– Pursuant to First Transitional Provision of Act 5/2021, Pontegadea Inversiones, S.L., represented by Ms Flora Pérez Marcote, will remain a member of Inditex board of directors until the end of its tenure, i.e., at the Annual General Meeting scheduled to be held in July 2024. – The relationship of Ms Marta Ortega Pérez, Ms Flora Pérez Marcote, legal representative of Pontegadea Inversiones, S.L. and Mr Amancio Ortega Gaona has been explained in section A.6 above.

3) NON-EXECUTIVE INDEPENDENT DIRECTORS

Name of director	Profile
Mr José Luis Durán Schulz	(3)
Mr Rodrigo Echenique Gordillo	(3)
Bns Denise Patricia Kingsmill	(3)
Ms Anne Lange	(3)
Ms Pilar López Álvarez	(3)

Total number of independent directors	5
% of all directors	50.00 %

State whether any independent director receives from the company or any company in the group any amount or benefit other than compensation as a director, or has or has had a business relationship with the company or any company in the group during the past year, whether in his/her own name or as a significant shareholder, director or senior manager of a company that has or has had said relationship.

Except as explained below, no independent director receives any amount or benefit other than the compensation as a director, nor has or has had during the past year any business relationship with the Company or any company in the Group, either in his/her own name or as significant shareholder, director or senior manager of an entity that maintains or has maintained said relationship.

If so, include a reasoned statement by the Board explaining why it believes that the director in question can perform his or her duties as an independent director.

Name or company name of director	Description of the relationship	Reasoned statement
– Ms Pilar López Álvarez – Mr Rodrigo Echenique Gordillo	Inditex has been engaged for years in a business relationship with Microsoft and Banco Santander in the ordinary course of business.	Pursuant to section 229 LSC and section 34.1(d) of the Board of Directors' Regulations, the board of directors has considered that neither of the business relationships with such companies compromises the independence of its directors, as neither of them takes part in the negotiation and execution of the relevant agreements, as at present neither Ms López nor Mr Echenique exert a significant influence on the line of business of Microsoft or Banco de Santander, respectively, companies with which Inditex has business relationships. From the perspective of the Company, neither of such relationships can be deemed to be a significant or relevant business relationship, within the meaning of section 529*duodecis*(4)(e)LSC.

4) AFFILIATE DIRECTORS

Identify affiliate directors, indicate the reasons why they cannot be considered either proprietary or independent, and detail their ties with the company or its management or shareholders:

Name or company name of director	Reasons	Company, manager or shareholder to which or to whom the director is related	Profile
-	-	-	-

Total number of affiliate directors	-
% of all directors	—%

Indicate any changes that have occurred during the period in each directorship type:

Name or company name of director	Date of change	Previous directorship type	Current directorship type
-		-	-

Remarks
As indicated in section C.1.2, above, the board of directors acknowledged at the meeting held on 6 June 2023 the resignation tendered by Mr Saracho. who stepped down form the board, its committees and the Executive Committee, effective as of the date of the Annual General Meeting held on 11 July 2023.

The following is a brief description of the profile of:

1) Executive directors

2) Proprietary directors

3) Independent directors

4) Affiliate directors

1) EXECUTIVE DIRECTORS

Mr Óscar García Maceiras

Chief Executive Officer (CEO) since November 2021.

He is a law graduate from Universidade de A Coruña and holds a PhD in Law from Universidad San Pablo CEU.

From 2001 through 2005, he worked as Abogado del Estado [*Spanish State Attorney*]. in his home town.

In 2005 he joined Banco Pastor as Head of Legal and was subsequently appointed General Counsel and Secretary of the Board.

In 2012 he was elected Deputy Secretary of the Board of Directors and Head of Institutional Service of Banco Popular Group. That same year, he joined SAREB where he served as General Counsel and Secretary of the Board, in addition to being Head of Corporate Development and Legal Affairs.

In 2016 he joined Banco Santander where he was Group General Counsel and Deputy Secretary of the Board of Directors. In 2021, he joined Inditex as General Counsel and Secretary of its board. He remained in such position until his appointment as CEO of the Inditex Group..

He is the direct owner of 41,548 shares of the Company.

2) PROPRIETARY DIRECTORS

Ms Marta Ortega Pérez

Non-executive Chair since April 2022.

Ms Ortega has built her entire career within the Inditex Group, which she joined in 2007 after she graduated in International Business from Regent's University London. During her first years at the company she carried out her professional duties in several international branches and business areas, later joining the Zara Woman design and product development team. In recent years she has focused on defining Zara's brand and product strategy. She sits on the boards of directors of Pontegadea Inversiones S.L. and Partler Participaciones, S.L.U., both significant shareholders of Inditex.

Ms Marta Ortega, daughter of Mr Amancio Ortega Gaona, founder and majority shareholder of Inditex and of Ms Flora Pérez Marcote – both of whom sit on this Board of Directors–, has been a member of the Amancio Ortega Foundation Board of Trustees since 2015, and its First Deputy Chair since 2023. She also chairs the Fundación MOP - MOP Foundation since its establishment in 2022, with the mission of promoting artistic, cultural and educational activities

She is the direct owner of 42,511 shares of the Company.

Mr Amancio Ortega Gaona

Mr Ortega began his business career in the textile manufacturing sector in 1963. In 1972 he founded Confecciones Goa, S.A., the first garment-making factory of Inditex and 3 years later he founded Zara España, S.A. the first retailing company of the Group. He chaired Inditex's board of directors until 2011. He currently chairs the boards of directors of Pontegadea Inversiones, S.L. and Partler 2006, S.L.

He was re-elected to the board of directors at the Annual General Meetings held on 30 June 1990, 31 July 1995, 20 July 2000, 15 July 2005, 13 July 2010, 14 July 2015, 16 July 2019 and 11 July 2023.

He is the controlling shareholder of the Company where he owns 1,848,000,315 shares through Pontegadea Inversiones S.L. and Partler Participaciones, S.L.U.

Pontegadea Inversiones S.L.

The company is represented on Inditex's board of directors by Ms Flora Pérez Marcote. It owns 1,558,637,990 shares of the Company, which represents a 50.01% stake in its share capital.

Ms Flora Pérez Marcote is the legal representative of Pontegadea Inversiones S.L., where she holds the position of First Deputy Chair. She has spent her entire career within the Inditex Group, where she held different positions in areas relating to both design and production. She has served as a director at Group companies since 1992. She has been a member of Inditex's board of directors since 2005, representing Pontegadea Inversiones, S.L. She has also been a member of the Board of Trustees of Fundación Amancio Ortega since March 2003 and its Chair since August 2023.

She was appointed to the board of directors on 9 December 2015, ratified at the Annual General Meeting on 19 July 2016 and re-elected at the Annual General Meeting held on 14 July 2020.

Mr José Arnau Sierra

Deputy Chair since June 2012. Non-executive proprietary director since 2012, representing the founder, Mr Amancio Ortega Gaona.

A law graduate of the University of Santiago de Compostela and State Tax Inspector, he has been the chief executive of the Pontegadea Group since 2001.

He was the head of the Tax Department and a member of Inditex's Management Committee from 1993 to 2001 and served on its board of directors from 1997 to 2000. He had previously held various positions within the Tax Administration. He has been a member of various boards of directors as legal representative of Pontegadea Inversiones, S.L. From 1993 to 1996, he taught Tax Law at the University of A Coruña. He has been a member of the Board of Trustees of Fundación Amancio Ortega from inception and its Second Deputy Chair..

He was appointed to the board of directors in June 2012, ratified at the Annual General Meeting held on 17 July 2012 and re-elected at the Annual General Meetings held on 18 July 2017 and 13 July 2021.

He is the direct owner of 30,000 shares.

3) NON-EXECUTIVE INDEPENDENT DIRECTORS

Mr José Luis Durán Schulz

Independent director since July 2015.

He holds a degree in Economics and Management from ICADE. From 1987 through 1990, he was an auditor at Arthur Andersen. In 1991, he joined the Carrefour Group, where he held the following positions: Head of Management Control (Spain, Europe and Latin America) (1991-1997); Chief Financial Officer for Spain (1997-2001); Group Chief Financial Officer (2001-2005) and Group Chief Executive Officer (2005-2008).

In July 2009, he joined Maus Frères International Group, based in Switzerland, where he held the following positions, until January 2015: Chief Executive Officer of Lacoste, Executive Chairman of Gant and Board member of Aigle, S.A. Until 4 October 2015, he was member of the Governance, Remuneration and Nomination Committee at Unibail-Rodamco, and member of the Board of Directors of said company. Until 30 June 2017, he was an independent director and member of the Audit Committee of Orange. At present, he is the CEO of Value Retail Management.

He was elected to the board of directors at the Annual General Meeting held on 14 July 2015 and re-elected at the Annual General Meetings held on 16 July 2019 and 11 July 2023.

He is the direct owner of 3,106 shares.

Mr Rodrigo Echenique Gordillo

Independent director since July 2014.

He is a law graduate from the Complutense University of Madrid and Spanish State Attorney.

At present, he is the Chair of Fundación Banco Santander and non-executive director of Directorio Santander Chile.

He is a member of the Board of Trustees of Fundación Consejo España-EE.UU, Deputy-Chair of the Board of Trustees of Teatro Real, member of the Board of Trustees of Escuela Superior de Música Reina Sofia and of Fundación ProCNIC.

From 1987 through 2020, he served on the board of directors of Banco Santander, S.A. He has been CEO, Deputy Chairman and Executive Director of Banco Santander, S.A., and has chaired Santander España and Banco Popular. He also served as Deputy Chairman of Banco Banif, S.A., Chairman of Allfunds Bank, and of SPREA. He has been a member of the board of directors of Santander Investment. He has been an Ordinary Member of the board of directors of various industrial and financial companies, such as Ebro Azúcares y Alcoholes, S.A., Industrias Agrícolas, S.A., SABA, S.A. and Lar, S.A.

He chaired the Social Advisory Board of the University Carlos III of Madrid. Additionally, he was first a member and then Chairman of the Advisory Board of Accenture, S.A., Lucent Technologies, and Quercus y Agrolimen, S.A. He has been the Chairman of Vallehermoso, S.A., Vocento, S.A., NH Hotels Group, Metrovacesa, S.A., and Merlin Properties SOCIMI, S.A.

He was elected to the Board of Directors at the Annual General Meeting held on 15 July 2014 and re-elected at the Annual General Meetings held on 17 July 2018 and 12 July 2022.

He is the direct owner of 20,000 shares.

Bns Denise Patricia Kingsmill

Independent director since July 2016.

In 2000 Baroness Kingsmill was awarded a CBE for services to Employment Law and Competition. In June 2006, she was appointed to the House of Lords as a Labour Peer. She is a member of the International Agreements Committee in the House of Lords.

After a 20-year legal career, she became deputy chair of the former Competition Commission between 1996 and 2004. She has 5 honorary Doctorates from universities in the United Kingdom.

Baroness Kingsmill has been a Chair/member of the Remuneration committees of many international companies. As a lawyer, she has advised in relation to remuneration schemes. In 2001 she was invited by the Government to head a task force looking at women's employment and remuneration in the UK.

In 2003 she was appointed Chair of the Department of Trade and Industry's Accounting for People task force. She headed a second Government enquiry ("Accounting for People") into how companies should evaluate and measure the contribution of their work forces and specifically as to how they should communicate their progress in the area of "Human Capital Management" to all their stakeholders. In 2013 she was the co-chair of the Design Commission report into Design and Public Services ("Re-starting Britain").

Until May 2018, Baroness Kingsmill was the Chair of Monzo Bank and a Member of the Supervisory Board of E.ONSE. At present, she is a member of the International Advisory Board at IESE Business School. She has recently been appointed a UK representative on the NATO Parliamentary Assembly.

Baroness Kingsmill has been an adviser to a number of international companies and has been a non-executive director of various British, European and American boards, including International Consolidated Airlines Group, S.A. and Telecom Italia.

A diverse and varied career spanning fashion and design, law and regulation, as well as politics and people have given Baroness Kingsmill a unique perspective on the contemporary boardroom.

She was elected as a director on 19 July 2016 at the Annual General Meeting and re-elected at the Annual General Meeting held on 14 July 2020.

Ms Anne Lange

Independent director since 2019.

A French citizen, Ms Anne Lange is an entrepreneur and a sought-after C-level business advisor with over 25 years of experience in technology innovation, in both private & public sectors. She is a graduate of French Grandes Écoles, Institut d'Etudes Politiques in Paris and École Nationale d'Administration (ENA).

Her career began at the French Prime Minister's office as head of department for state-owned broadcasting companies until she joined Thomson, a high-tech champion, where she built up a new generation of consumer internet access devices. She worked in various global executive positions with Cisco since 2004, based out of France and Silicon Valley. As a C-level executive, her engagements centred on adopting and innovating technological, organisational and business processes to drive business transformation. Ms Lange is the co-founder and former CEO of Mentis Services, an IoT Data Intelligent Software provider of urban space services. She is currently the founder and managing partner of Adara, a consulting company that provides senior-level advice in transformation strategy and an investor in start-ups.

She currently serves on the executive boards of Orange (French leading service provider), Pernod-Ricard (second largest wine and spirits company in the world) and FFP (Peugeot's family holding).

She was appointed independent director by the Board of Directors at the meeting held on 10 December 2019 and ratified at the Annual General Meeting held on 14 July 2020.

Ms Pilar López Álvarez

Independent director since July 2018.

She has a Bachelor of Science in Business Administration and a Major in Finance from ICADE. She has worked in a variety of roles at J.P. Morgan in Madrid, London and New York (1993-1999). She joined Telefónica in 1999, where she held the following positions: Head of Management Planning and Control (1999-2001), Financial Controller in Telefónica Móviles (2001-2006), Strategy Director in Telefónica de España (2006-2007), Chief Financial Officer of O2 Plc., based in the UK (2007-2011) and for Telefónica Europa based in Madrid (2011-2014), and Head of the Operational Simplification Program of Grupo Telefónica (2014-2015).

She has served on the board of Telefónica Czech Republic AS (2007-2014), and as Vice Chair of the board of Telefónica Deutschland Holding AG (2012-2015). She was a member of the board of Tuenti Technologies and non-executive director of Ferguson Plc (2013-2018). She was a member of the Board of Trustees of Fundación ONCE, and a member of the board of directors of Asociación para el Progreso de la Dirección (APD).

She joined Microsoft in 2015 as Country Manager for Spain. In 2021 she was appointed as Vice President for Sales, Marketing and Operations in Western Europe. At present, she is Vice President of the strategic partnership with the London Stock Exchange Group (LSEG), with a focus on transforming capital markets globally.

She was elected as a director on 17 July 2018 at the Annual General Meeting and re-elected at the Annual General Meeting held on 12 July 2022.

She is the direct owner of 7,000 shares of the Company.

4) AFFILIATE DIRECTORS

As at 31 January 2024 and as at the date of this report, Inditex has no affiliate directors sitting on its board.

C.1.4. Complete the following table with information relating to the number of female directors at the close over the last 4 years, as well as their directorship type:

	Number of female directors					% of total director of each type				
	FY2023	**FY2022**	**FY2021**	**FY2020**	**FY2019**	**FY2023**	**FY2022**	**FY2021**	**FY2020**	**FY2019**
Executive	0	0	0	0	0	— %	— %	— %	— %	— %
Proprietary	2	2	1	1	1	50.0 %	50.0 %	33.3 %	33.3 %	33.3 %
Independent	3	3	3	3	3	60 %	60 %	50 %	50 %	50 %
Affiliate	0	0	0	0	0	— %	— %	— %	— %	— %
Total	**5**	**5**	**4**	**4**	**4**	**50 %**	**45 %**	**36 %**	**36 %**	**36 %**

Remarks

C.1.5. Indicate whether the company has diversity policies in relation to its Board of Directors on such questions as age, gender, disability, education and professional experience. Small and medium-sized enterprises, in accordance with the definition set out in the Spanish Auditing Act, will have to report at least the policy that they have implemented in relation to gender diversity.

Yes x No Partial policies

If so, describe these diversity policies, their objectives, the measures and the way in which they have been applied and their results over the year. Also indicate the specific measures adopted by the Board of Directors and the nomination and remuneration committee to achieve a balanced and diverse board membership.

If the company does not apply a diversity policy, explain the reasons why.

Description of the policies, objectives, measures, how they have been enforced and the results achieved

The Inditex Group has a Diversity of Board of Directors Membership and Director Selection Policy ("**Diversity of Board of Directors Membership and Director Selection Policy**") which was originally approved by the board of directors at its meeting held on 19 December 2015 and amended in part first at the board meeting held on 14 December 2020 primarily to align its provisions with the language of the revised GGC approved by CNMV's board on 25 June 2020 and then at the board meeting held on 8 June 2021 exclusively to align its wording with the new section 529*bis* LSC introduced by Act 5/2021. Pursuant to such section, only natural persons can serve as board members.

The Policy provides guidelines to guide the board of directors and the Nomination Committee's proceedings in the field of director selection and thus (i) ensure that search and selection processes as well as proposals on the appointment, re-election or ratification of directors are based on a prior analysis of the needs of the Company and the competences required by the board; (ii) favour diversity of directors' knowledge, skills, experience, geographic origin, age and gender; (iii) ensure an appropriate membership on the board and its committees, facilitating the appropriate discharge of the duties they are called upon to perform; and, (iv) contribute to talent attraction in the Inditex Group, making efforts to ensure that the best professionals serve on its governing bodies. The Policy observes and follows both GGC Recommendations and the overarching principles and guidelines of CNMV's Technical Guide 1/2019 on nomination and remuneration committees ("**Technical Guide 1/2019**").

With regard to gender diversity, the female representation target on the board of directors provided in Recommendation 15 GGC is covered in the Policy. The Company has thus endorsed the commitment to ensure that the number of female directors should account for at least 40% of all board seats by the end of 2022 and in the future.

In addition, in accordance with the provisions of the Policy and applicable best practices, the Company relies on a Board Skills Matrix where the competences of members of the board are identified in terms of education and professional experience as well as origin, age, gender, tenure etc., The board skills matrix is a useful tool that allows to identify the yardsticks and priorities to be considered in the re-election and/or selection of directors' process, to ensure an appropriate and diverse board membership and the possibility of considering other candidates.

This engagement to diversity also applies to board committees. Their respective terms of reference address the board of directors' commitment to encouraging a diverse membership on each committee in terms of professional experience, competences, personal skills, sector-specific knowledge, international experience or origin, age and gender, taking into account the limits resulting from their smaller size.

In addition, the Inditex Group also relies on a Diversity and Inclusion (D&I) Policy, originally approved by the Board of Directors on 12 December 2017 and amended in part at the meeting held on 14 December 2020.

The D&I Policy seeks to fully endorse the regulatory requirements, recommendations and best practices in the area of diversity and inclusion, and mark Inditex's commitment to diversity and multiculturalism at the workplace, in all positions and levels within the company, including on the board of directors.

Meanwhile, discrimination in any form or shape is not acceptable under the Inditex Group's Code of Conduct and its implementing regulations. The Code enshrines the principles of respect, dignity and justice, taking into account the diversity and unique cultural background of each individual..

Considering the foregoing, several actions were taken in 2023 to ensure a balanced and diverse membership on the Company's governing bodies including, without limitation, in terms of age, gender, disability, training and professional experience.

In this regard, mention should be made of the fact that, as explained in section C.1.2 above, Mr Saracho had announced to the Company his intention to step down from the board and its committees at the 2023 Annual General Meeting.

Considering Mr Saracho's upcoming end of service on the board, the Nomination Committee assessed at the meeting held on 13 February 2023 several alternatives with regard to the board vacancy, with the collaboration of an independent external expert.

One of such options was the possibility of eliminating the vacant position. In this regard, ,the Nomination Committee assessed the resulting downsized board against Inditex's specific needs and applicable hard and soft law recommendations and the market practices and expectations of institutional investors and proxy advisors.

In the process, the committee considered first the results of the previous year's evaluation. In such evaluation, directors were satisfied with the proceedings of the board and considered the number of members to be adequate in light of the size and complexity of the organization, considering that it was aligned with the size of boards in comparable companies. They also pointed out the flexibility to reduce its number.

The Nomination Committee also assessed if a downsized board would affect its balanced and diverse membership as a whole; if directors' backgrounds were aligned with the strategy of the company or if, conversely, gaps were found in terms of tasks and skills that needed to be filled.

A comparative review of the indicators that would result from a downsized board was carried out, by considering the aggregate competences, backgrounds, experience of board members, as well as their origin, age, seniority, etc., as shown in the Board Skills Matrix, leaving out Mr Saracho's skills and competences.

In the above referred assessment, the committee also considered the competences, experience and merits of the directors eligible for re-election at the AGM 2023: Mr Amancio Ortega Gaona and Mr José Luis Durán Schulz.

Further to the above referred assessment, the Nomination Committee ended proposing to the board of directors the elimination of the vacant seat, as in its view, a downsized board would not affect its proceedings or balanced and diverse membership, since:

/The number of board members would be fixed at ten (10), within the 5-15 range outlined in Recommendation 13 GGC.

/ A balanced membership would be kept with regard to directorship types: (i) a large majority of non-executive directors would remain on the board, in accordance with Recommendation 15 GGC; (ii) 50% of all board seats would be filled by independent directors, in line with Recommendation 17 GGC, even though Inditex has a controlling shareholder (who owns approx. 60% of its share capital) to which the rule that at least a third of its directors should be independent applies; (iii) the ratio of proprietary to non-executive directors (4 out of 9) would not be higher than the proportion between the capital they represent on the board and the remainder of capital, as provided in Recommendation 16 GGC.

/ Parity between men and women would be reached a the top governing body, surpassing the female representation target set in the internal regulations.

/ The average seniority of independent directors would be reduced in one year. The average age of directors would also be slightly lesser

/ The board of directors would continue having, as a whole accredited abilities, competences, experience and merits: (i) about the Company, the Group and the retail sector; (ii) in economy and finances, accounting, audit or risk management matters, including both financial and non-financial risks; (ii) in sustainability, regulatory compliance and corporate governance matters; (iv) in the digital and new technologies sector; (v) in different geographical markets; and, (vi) in management, leadership and business strategy, as well as (vii) the requirement for each board member to be highly qualified and trustworthy, both as a person and as a professional, and available for the necessary dedication to the position.

The findings of the Nomination Committee's assessment were written up in a report dated 5 June 2023 and ratified in the explanatory report issued by the Board of Directors on 6 June. This last report also evaluated the quality of the work and the dedication to the position of the two directors eligible for re-election.

In the view of the Nomination Committee and the board itself, all of the above contributed to consolidating diversity on the governing bodies in every relevant aspect, i.e., as regards directorship type, professional experience and education, age, gender, etc.

Considering the foregoing, the board of directors resolved at its meeting held on 6 June 2023 to submit to shareholders at the Annual General Meeting scheduled to be held on 11 July 2023 on first call the proposal to downsize the board of directors, fixing the number of its members at ten (10), as a result of the elimination of the board seat left by Mr Saracho.

The Annual General Meeting held on 11 July 2023 resolved: (i) to reduce by one the current number of board members, which will be set at 10, within the maximum and minimum values provided in article 23 of the Articles of Association, and (ii) to re-elect Mr Ortega and Mr Durán to the board as proprietary and non-executive independent director, respectively

Based on all the foregoing, the Nomination Committee has considered that Inditex meets the diversity targets and its commitment to diversity provided in the Diversity of Board of Directors Membership and Director Selection Policy and the remaining internal regulations.

C.1.6. Describe the measures, if any, agreed upon by the nomination committee to ensure that selection procedures do not contain hidden biases that impede the selection of female directors and that the company deliberately seeks and includes women who meet the target professional profile amongst potential candidates, making it possible to achieve a balance between men and women. Also indicate whether these measures include encouraging the company to have a significant number of female senior managers:

Pursuant to section 529*bis*(2) LSC, the board of directors shall ensure that diversity, including of age, gender and professional experience, is encouraged in directors' recruitment processes, which should not suffer from any implicit bias that may entail any discrimination and particularly, that selection of female directors is fostered in a number that can ensure a balanced presence of women and men on the board.

As explained in detail in section C.1.5 above, the Group relies on several policies and tools aimed at ensuring that diversity is encouraged, in particular gender diversity, as well as the absence of any form of discrimination, in particular, on account of gender.

The role that the Nomination Committee plays in this field is summarised below.

Pursuant to the provisions of section 16.2(b) of the Board of Directors' Regulations, and section 5.3(b) of the Nomination Committee's Regulations, one of the responsibilities of the Nomination Committee shall be: *"to seek an appropriate composition and a diverse membership on the board of directors and its committees in terms of professional experience, competences, personal skills, sector-specific knowledge, international experience or geographic origin, age and, in particular, gender."*

According to the Diversity of Board of Directors Membership and Director Selection Policy, the Nomination Committee must set a representation target for the least represented gender on the board and provide guidance on how to meet such target. According to section 6(d) of its terms of reference and the Diversity of Board of Directors Membership and Director Selection Policy, the Nomination Committee should strive to ensure that by the end of 2022 female directors would account for at least 40% of board seats. Under no circumstances shall such percentage be less than 30% at any given time before the expiry of such term.

Likewise, section 22.1. of the Board of Directors Regulations and section 6 (c) of the Nomination Committee's Regulations provide that both the board and such committee shall ensure that upon filling new vacancies or upon appointing new directors, selection procedures shall ensure the absence of any manner of discrimination.

Meanwhile, pursuant to section 13.2 of the Board of Directors' Regulations, section 5.3.(b) of the Nomination Committee's Regulations and the provisions of the Diversity of Board of Directors Membership and Director Selection Policy, the Nomination Committee is responsible for seeking an appropriate composition and a diverse membership on the board of directors and its committees in terms of professional experience, competences, personal skills, sector-specific knowledge, international experience or geographic origin, age and in particular, gender, taking into account the restrictions that are a result of the smaller size of the committee.

On the other hand, both the D&I Policy and the Conduct of Conduct show the Company's engagement to promoting a culture of inclusion, equality and respect, aimed at offering fair work environments within the framework of a zero-tolerance policy towards any form of discrimination. This also applies to the board of directors. In line with Recommendation 14 GGC, the company's commitment to promoting diversity among senior managers, in particular, gender diversity, is also addressed in the terms of reference of the Nomination Committee, in addition to the Policy itself. In this regard, both the board of directors and the Nomination Committee will strive to encourage the presence of a significant number of female senior managers.

The principles and action lines of the D&I Policy govern all the proceedings of the Company, in particular in the area of human resources: recruitment and selection of candidates, compensation and benefits, promotions, transfers, skills enhancement, professional development and training, etc.,

The Group's commitment to diversity and inclusion must be driven by the board of directors, being ultimately responsible for the company's management and for guiding its policies. Thus, being the driving force behind this high-level commitment, it shall ensure that action is taken to ensure compliance with the D&I Policy at all levels within the organization and by all employees.

The Nomination Committee has driven the fulfilment of the Company's commitment to promote diversity across its governing bodies, in particular as regards gender diversity. It has made sustained efforts to achieve the highest levels of female representation on the board and its committees (see C.1.4. above) In its assessment of the size and membership on the board over the past years, to establish that they are appropriate to cater to the needs of the company, the Nomination Committee has deemed it a priority in the director selection process to drive the election of women to sit on the board and its committees, without overlooking the core principle that every director should be elected following a merit-based approach.

The 30% target for the least represented gender set out in the D&I Policy, in line with the recommendations of the then current Good Governance Code of Listed Companies was exceeded in 2019. In 2022, the new target for female representation set at 40% in 2020 was also exceeded, as Inditex had at the time 5 women on the board.

As indicated in section C.1.5. above, in 2023 the Nomination Committee evaluated if the resulting size and membership on the board would be appropriate in the event of the elimination of the position left by Mr Saracho on the board. Among other things, the Committee considered that following such elimination, the percentage of female representation on the board would increase, and gender parity would be reached.

The committee also appreciated that the percentage of female representation on the board currently exceeds the target set both in Directive (EU) 2022/2381 of the European Parliament and of the Council of 23 November 2022 on improving the gender balance among directors of listed companies and related measures (that sets a 40% target for the least represented gender as regards non-executive directors - at Inditex, 5 of the 9 non-executive directors are women, thus this percentage stands at 55% - and 33% target for all board members to be achieved by 30 June 2026), and in Recommendation 15 GGC, as well as in the internal regulations of the Company. In this regard, Inditex is above the average of Ibex 35 companies.

C.1.7. Explain the conclusions of the nomination committee regarding verification of compliance with the policy aimed at promoting an appropriate composition of the Board of Directors.

In 2023, the Nomination Committee has reviewed compliance with the Diversity of Board of Directors Membership and Director Selection Policy. The findings of such review were written up in a report issued on 6 February 2024.

This annual check has been performed considering two different stages in 2022 and 2023 respectively:

- The first one concerns the resolution passed by the board on 7 June 2022 to retain Mr Saracho as a director until the end of his board tenure, with the qualification of “affiliate” director, having ceased to qualify as independent director on account of his more than 12 straight years of service on the board; and
- The second stage corresponds to the consideration given by the Committee to the different options available to address the board vacancy resulting from Mr Saracho’s departure. The Nomination Committee was assisted by an external facilitator in this process..

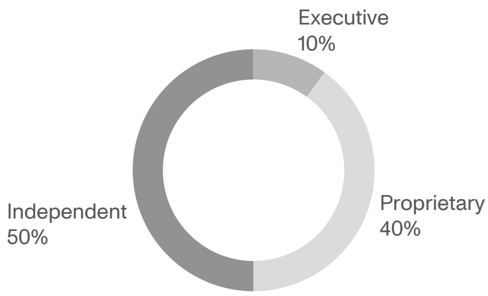
As explained in detail in section C.1.5 above, the Nomination Committee resolved to propose to the board of directors the elimination of the vacant position as in its view a downsized board would not affect its effectiveness nor its balanced and diverse membership,

In its assessment, the Nomination Committee considered that upon evaluating the different alternatives and with regard to the subsequent decisions made until the approval at the AGM held on 11 July 2023 of the resolutions regarding the downsized board and the re-election of the two directors, the provisions of the Diversity of Board of Directors Membership and Director Selection Policy have been met, since: (i) both the process to identify and search for board candidates and the proposals on (a) the elimination of the position and subsequent reduction of the number of directors, and (b) the re-election of the two directors were based on the prior analysis of the Company’s needs, with the scope described in section C.1.5. above; (ii) the process has been carried on the basis of the Board Skills Matrix; and (iii) an external facilitator has been engaged to assist with the search and evaluation of prospective directors.

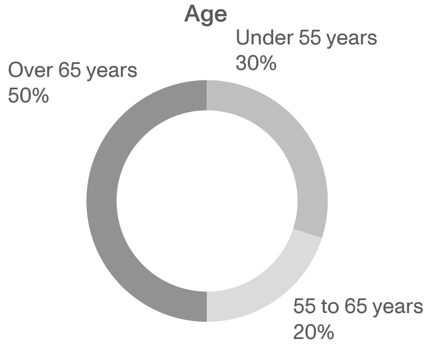
The principles and goals of the Policy have been observed since the proposal for the elimination of the position and for the re-election of directors has contributed to ensuring an appropriate membership on the board of directors (and on its committees) and to encouraging diversity of backgrounds, skills, experiences, and in particular gender on the board of directors, allowing to exceed the 40% target set for the underrepresented gender on such governing body.

The main indicators of board diversity resulting on the board skills matrix following the elimination of the vacant seat are outlined below:

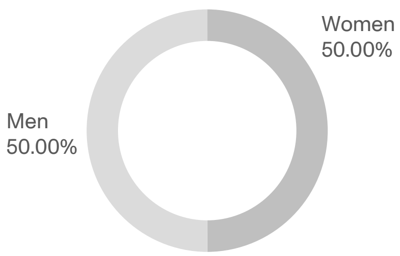
Directorship type



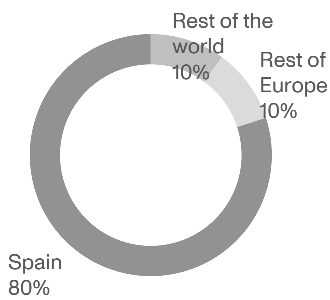
Age



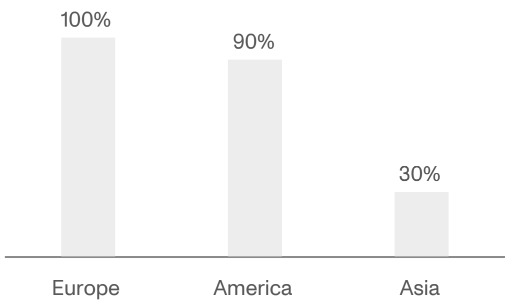
Gender



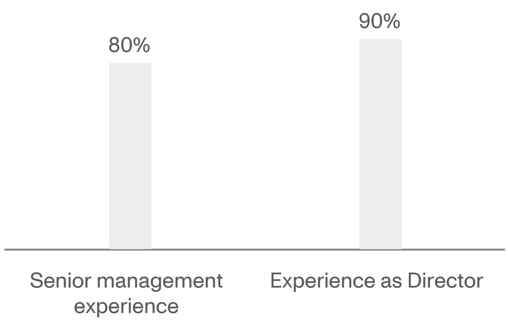
Geographical Origin

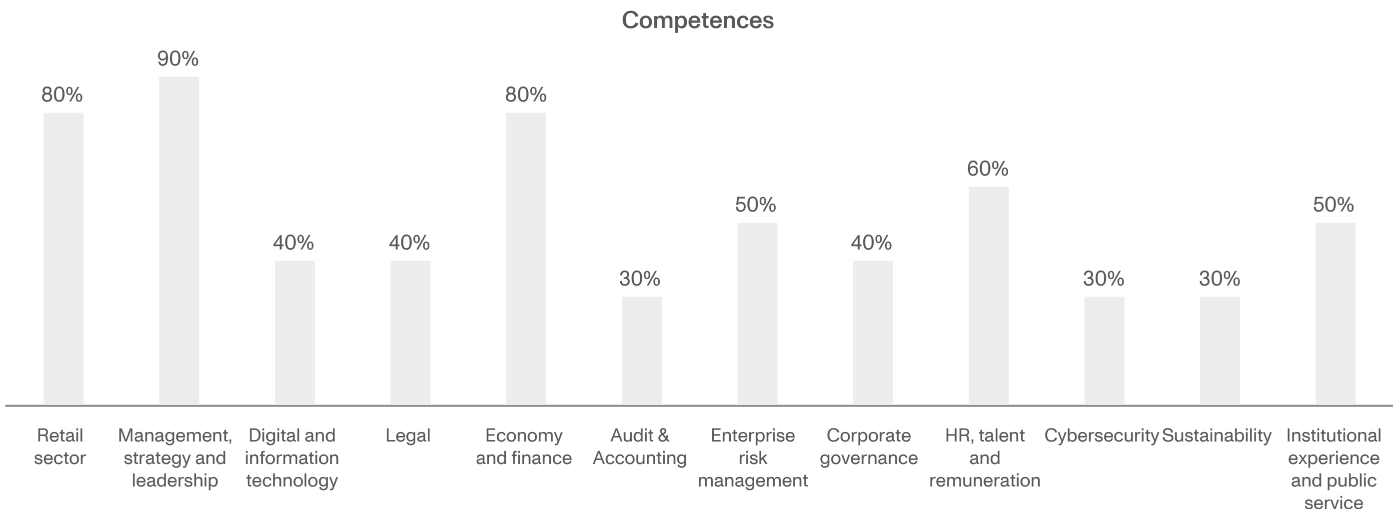


International experience/education



Previous experience





C.1.8. Where applicable, explain the reasons for the appointment of any proprietary directors at the request of shareholders with less than a 3% equity interest:

No proprietary directors have been appointed at the request of shareholders with less than a 3% equity interest.

Name or company name of shareholder	Reason
—	—

Indicate whether the Board has declined any formal requests for presence on the Board from shareholders whose equity interest is equal to or greater than that of others at whose request proprietary directors have been appointed. If so, explain why the requests were not granted:

Yes No x

Name or company name of shareholder	Explanation
—	—

C.1.9. Indicate the powers, if any, delegated by the Board of Directors to directors or Board committees:

Mr Óscar García Maceiras	CEO

The CEO, Mr Óscar García Maceiras has been delegated a number of wide powers which, as a general rule, shall be exercised individually, except for those powers that entail undertaking in excess of a given amount or disposal of funds in excess of a given amount. In such case, the executive director must act jointly with another person who, by virtue of any legal title, has also been granted the power in question.

In any case, the prior resolution of the Board of Directors or, where delegated, of the Executive Committee, will be required in the event of transactions, proceedings or agreements which (i) entail the acquisition, disposal or encumbrance of real property of the company, or of any manner of industrial or intellectual property rights of the company, or of shares or interests held by the Company, above a given amount; or which (ii) regardless of their nature, entail the assumption of payment commitments in excess of a given amount. Certain types of financial or treasury transactions, proceedings or agreements are excepted from the requirement of a resolution of the Board, as the joint action mentioned above will suffice.

The requirement of joint action and/or of a prior resolution of the Board of Directors shall not apply when it involves transactions, proceedings or agreements which are, regardless of the amount involved, carried out or awarded between companies belonging to the Inditex Group, understanding as such those companies, whether Spanish or foreign, in which Inditex holds, whether directly or indirectly through other investee companies, at least 50% of the share capital, in which case the CEO may act individually, for and on behalf of the company, irrespective of the amount involved in the matter in question.

Additionally, as described in section C.2.1 below, the Executive Committee holds in delegation all the powers of the board of directors, except for those that cannot be delegated by statute or pursuant to the Articles of Association and those that are necessary for the responsible exercise of the general supervisory function that is incumbent on the board of directors.

C.1.10. Identify any members of the Board who are also directors, representatives of directors or managers in other companies forming part of the listed company's group:

As at 31 January 2024, none of Inditex's directors were managers or sat on the governing body of Group companies.

C.1.11. List the positions of director, administrator or representative thereof, held by directors or representatives of directors who are members of the company's board of directors in other entities, whether or not they are listed companies:

Identity of the director or representative	Company name of listed or unlisted company	Position	Paid or unpaid
Ms Marta Ortega Pérez	Pontegadea Inversiones S.L.	Director	Paid
	Partler 2006 S.L.	First Deputy Chair	Paid
	Pontegadea GB2020 S.L.	Ordinary member	Paid
	Partler Participaciones, S.L.U.	First Deputy Chair	Unpaid
	Fundación Amancio Ortega Gaona	First Deputy Chair	Unpaid
	Fundación MOP.- The MOP Foundation	Chair	Unpaid
Mr Amancio Ortega Gaona	Pontegadea Inversiones S.L.	Chair	Paid
	Pontegadea Inmobiliaria S.L.U.	Chair	Paid
	Partler 2006 S.L.	Chair	Paid
	Pontegadea GB2020 S.L.	Chair	Paid
	Partler Participaciones, S.L.U.	Chair	Unpaid
	Fundación Amancio Ortega Gaona	Ordinary member	Unpaid
Ms Flora Pérez Marcote	Pontegadea Inversiones S.L.	First Deputy Chair	Paid
	Pontegadea Inmobiliaria S.L.U.	First Deputy Chair	Paid
	Pontegadea GB2020 S.L.	First Deputy Chair	Paid
	Fundación Amancio Ortega Gaona	Chair	Unpaid
	Fundación MOP.- The MOP Foundation	Ordinary member	Unpaid
Mr José Arnau Sierra	Pontegadea Inversiones S.L.	Second Deputy Chair	Paid
	Pontegadea Inmobiliaria, S.L.U.	Second Deputy Chair	Paid
	Partler 2006 S.L.	Second Deputy Chair	Paid
	Pontegadea GB2020 S.L.	Second Deputy Chair	Paid
	Pontegadea España, S.L.U.	Joint Director	Unpaid
	Partler Participaciones S.L.	Second Deputy Chair	Unpaid
	Esparelle 2016, S.L.	Sole Director, legal representative of Pontegadea Inmobiliaria S.L.U.	Unpaid
	Pontegadea Dieciocho S.L.	Sole Director, legal representative of Pontegadea Inversiones S.L.	Unpaid
	Sobrado Forestal 2014, S.L.	Sole Director	Unpaid

Identity of the director or representative	Company name of listed or unlisted company	Position	Paid or unpaid
	Pontegadea France, S.A.S.	Chair, legal representative of Pontegadea Inmobiliaria S.L.U.	Unpaid
	Prima Cinque, S.p.a.	Chair	Unpaid
	PG Real Estate Interests Ltd.	Ordinary member	Unpaid
	Pontegadea Inmobiliaria, S.A. de CV	Chair	Unpaid
	Pontegadea Canada, Inc.	Chair	Unpaid
	PG Compass Canada, Inc.	Chair	Unpaid
	Pontegadea Korea, Inc.	Ordinary member	Unpaid
	Ponte Gadea USA, Inc.	Chair	Unpaid
	Hills Place, Sarl	Ordinary member	Unpaid
	Pontegadea UK, Ltd.	Ordinary member	Unpaid
	Almack Ltd.	Ordinary member	Unpaid
	Ponte Gadea Portugal – Investimentos Imobiliários e Hoteleiros, S.A.	Chair, appointed by Partler 2006 S.L.	Unpaid
	Pontegadea Amoreiras – Sociedade Imobiliária, S.A.	Chair, appointed by Partler 2006 S.L.	Unpaid
	Proherre Internacional- Sociedade Imobiliária, Lda	Joint and Several Director	Unpaid
	Pontegadea Luxembourg Sarl	Ordinary member	Unpaid
	Pontegadea Real Estate, S.A.S.	Chair, legal representative of Pontegadea Inmobiliario S.L.U.	Unpaid
	Montaigne Real Estate, S.A.S.	Sole Director	Unpaid
	Fongadea Recoletos 7-9, S.L.	Sole Director, legal representative of Partler 2006, S.L.	Unpaid
	Boxer US Inc	Ordinary member	Unpaid
	Pontegadea Ireland, Ltd.	Ordinary member	Unpaid
	FIF Holding Proteonic Sarl	Ordinary member	Unpaid
	FIF Property Ireland 1	Ordinary member	Unpaid
	FIF Property Ireland 2	Ordinary member	Unpaid
	Polar Roosendaal Logistics Propco BV	Legal representative of FIF Holding Proteonic Sarl	Unpaid
	Daimar de Inversiones S.L.	Sole Director	Unpaid
	Fundación Amancio Ortega Gaona	Second Deputy Chair	Unpaid
	Fundación Kertor	Trustee	Unpaid
	Fundación Santiago Rey Fernández Latorre	Trustee	Unpaid
	Fundación Bal y Gay	Trustee	Unpaid
Ms Anne Lange	Pernod-Ricard, S.A.S.	Non-executive director	Paid
	Peugeot Invest	Non-executive director	Paid
	Orange, S.A.	Non-executive director	Paid
Mr Rodrigo Echenique Gordillo	Banco Santander Chile	Non-executive director	Paid
	Fundación Banco Santander	Chair	Unpaid
	Fundación Consejo España-EE.UU.	Trustee	Unpaid
	Fundación del Teatro Real	Deputy Chair	Unpaid
	Fundación Escuela Superior de Música Reina Sofia	Trustee	Unpaid
	Fundación ProCNIC	Trustee	Unpaid

Remarks

Indicate, where appropriate, the other remunerated activities of the directors or directors' representatives, whatever their nature, other than those indicated in the previous table.

Identity of the director or representative	Other paid activities
Ms Anne Lange	Managing Partner at ADARA: a consulting firm that provides senior-level advice to start-ups and in the field of innovation.
Ms Pilar López Álvarez	VP strategic partnership with LSEG at Microsoft Ibérica S.R.L, Unipersonal
Mr Rodrigo Echenique Gordillo	Advisor to Banco Santander (Santander Group)
Mr José Luis Durán Schulz	CEO at VALUE RETAIL MANAGEMENT and consultant at JLD Advise.

C.1.12. Indicate whether the company has established rules on the maximum number of company boards on which its directors may sit, explaining, if necessary, and identifying where this is regulated, where applicable:

Yes x No

Explanation of the rules and identification of the document where this is regulated

Pursuant to section 22.2 of the Board of Directors' Regulations, the Board of Directors may not propose or appoint in order to fill a position of director, anyone who holds the office of director in more than 4 listed companies other than the Company at the same time.

C.1.13. Indicate the remuneration received by the Board of Directors as a whole for the following items:

Remuneration accruing in favour of the Board of Directors in the financial year (thousands of euros)	13,462
Funds accumulated by current directors for long-term savings systems with consolidated economic rights (thousands of euros)	0
Funds accumulated by current directors for long-term savings systems with unconsolidated economic rights (thousands of euros)	-
Pension rights accumulated by former directors (thousands of euros)	10,273

The amount stated as "Remuneration accruing in favour of the Board of Directors in the financial year (thousands of euros)" corresponds to the aggregate amount shown in section C.1.c) "Summary of remunerations (thousands of euros)" of the Annual Report on Remuneration of Directors for 2023. Included therein are the fixed remuneration items of directors in their status as such, and the fixed and short and long-term variable remunerations earned by the CEO, Mr Óscar García Maceiras for the performance of his executive functions. In particular, the following is included:

The amounts of the remuneration earned by Mr Óscar García Maceiras, as director and for the performance of executive functions (fixed remuneration and annual and multi-year variable remuneration) from 1 February 2023 through 31 January 2024.

With regard to long-term or multi-year variable remuneration: included in the above referred global remuneration for directors are the amounts of €3,971 thousand accrued by the CEO under the first cycle (2021-2024) of the 2021-2025 LTIP. The 2021-2025 LTIP materializes in (i) an incentive in cash in the aggregate amount of €1,183 thousand for the CEO, and (ii) an incentive in shares equivalent to a total number of 68,562 shares corresponding to the amount of €2,788 thousand for the CEO.

The increase in the long-term variable remuneration accrued is due to the excellent operating performance of the Company during the accrual period of the first cycle (2021-2024) of the 2021-2025 LTIP, which has led to an appreciation of Inditex's stock price over 50%.

It bears mention that for the purposes of quantifying the part of the incentive to be delivered in shares, Inditex share price at the close of trading on the last trading day of the week before the board meeting where the level of target achievement for the first cycle of the 2021-2025 LTIP (i.e., €40.67 on 8 March 2024) has been assessed and approved, was considered. The incentive in cash and in shares will be delivered within the month following the release of the annual accounts for 2023.

With regard to the *"Funds accumulated by current directors for long-term savings systems with consolidated economic rights (thousands of euros)"*, the amount shown corresponds to the accumulated funds of Mr Pablo Isla Álvarez de Tejera's Pension Plan as long-term saving system of which he was a participant since 2015.

C.1.14. Identify members of senior management who are not also executive directors and indicate their total remuneration accrued during the year:

Name or company name	Position
Ms Lorena Alba Castro	Chief Logistics Officer
Mr José Pablo del Bado Rivas	Director of PULL & BEAR - Management Committee
Ms María Begoña Costas Méndez	Director of ZARA Kids
Mr Miguel Díaz Miranda	Chief Financial Officer & Chief Operating Officer of ZARA - Management Committee
Mr Raúl Estradera Vázquez	Chief Communication Officer
Mr Ignacio Fernández Fernández	Chief Financial Officer - Management Committee
Mr Antonio Flórez de la Fuente	Director of BERSHKA
Mr Javier García Torralbo	Chief Digital Officer - Management Committee
Ms Begoña López-Cano Ibarreche	Chief People Officer - Management Committee
Mr Abel López Cernadas	Head of Import, Export and Transport
Mr Marcos López García	Capital Markets Director
Mr Juan José López Romero	Chief Infrastructure and Services Officer
Mr Javier Losada Montero	Chief Sustainability Officer - Management Committee
Mr Javier Monteoliva Díaz	General Counsel and Secretary of the Board
Ms María Lorena Mosquera Martín	Director of ZARA HOME
Ms Paula Mouzo Lestón	Chief Audit Officer
Ms María Beatriz Padín Santos	Director of ZARA Woman - Management Committee
Mr Jorge Pérez Marcote	Director of MASSIMO DUTTI - Management Committee
Mr Óscar Pérez Marcote	Director of ZARA - Management Committee
Mr Javier Romero Portela	Director of Man ZARA
Ms Carmen Sevillano Chaves	Director of OYSHO
Mr Jordi Triquell Valls	Director of STRADIVARIUS

Mr Gabriel Moneo Marina was the Chief IT Officer of the Group from 1 February 2023 to 31 December 2023.

Number of women in senior management	7
Percentage out of all senior managers	31.82 %
Total remuneration of senior management (thousands of euros)	116,471

Included in the amount stated as "Aggregate remuneration for senior managers" is the fixed remuneration and the variable remuneration accrued by senior managers in financial year 2023, both short-term variable remuneration and long-term variable remuneration for the first cycle (2021-2024) of the 2021-2025 LTIP.

Under such cycle, the amount of €52,076 thousand were accrued by senior managers as at 31 January 2024 in the framework of the 2021-2025 LTIP, materialized in: (i) an incentive in cash in the aggregate amount of €17,866 thousand, and (ii) an incentive in shares equivalent to a total number of 841,162 shares, which correspond to the amount of €34,210 thousand.

The incentive in cash and in shares will be delivered within the month following the release of the annual accounts for financial year 2023.

Likewise, included in said amount are the remunerations earned in 2023 by senior managers in office in the year, including the relevant compensation.

The increase in the Senior Managers' total remuneration versus the previous year is primarily due to to the strong increase in the long-term variable remuneration as a result of the excellent operating performance of the Company in the performance period of the objectives and accrual of the first cycle (2021-2024) of the 2021-2025 Long-Term Incentive Plan that is being settled and the subsequent appreciation of Inditex' stock price by approximately 50%, from €25.88 price/share at the beginning of the cycle (1 February 2021) to €38.76 at the end of the cycle (31 January 2024).

In this same sense, in accordance with the criteria adopted by the Company, the share price taken into account for the quantification of the part of the incentive that is delivered in shares corresponds to the share price at the close of trading on the last trading day of the week before the meeting of the Board of Directors at which the level of achievement of the cycle in question is assessed and approved. Thus, the listed value of the Inditex shares on 10 March 2023 that was taken into account for the settlement of the second cycle (2020-2023) of the Long-Term Incentive Plan 2019-2023 (and which was reported in the Annual Report on Remuneration of Directors for financial year 2022), was €29.27, compared to €40 reached on 8 March 2024, taken as a reference for the settlement of the first cycle (2021-2024) of the 2021-2025 Long-Term Incentive Plan.

C.1.15. Indicate whether the Board regulations were amended during the year:

Yes x No

The Board of Directors approved on 6 June 2023, following a favourable report from the Audit and Compliance Committee, the partial amendment to its terms of reference. Such amendment sought to:

/ A first group of amendments answered the need to cover the recent changes to some internal bodies as well as the existence of the new Cybersecurity Advisory Committee.

/ A second group of amendments sought to reinforce the commitment to a diverse board membership and remove any discriminatory bias (such as, the current age limit to be a company director at Inditex), in line with the current Diversity of Board of Directors Membership and Director Selection Policy.

/ On the other hand, the opportunity was seized to introduce certain technical and editorial improvement into the Regulations.

The amendments made are addressed below:

- Amendment to section 15 ("The Audit and Compliance Committee ") in Chapter IV ("Structure of the board of directors)

Any reference to the Compliance Office is replaced with a reference to the Transparency Market Committee (formerly, the "Compliance Supervisory Board") and the General Counsel's Office, being the ones responsible for overseeing and managing, respectively, compliance with the Internal Regulations of Conduct in the Securities Markets ("IRC"). The wording of this section is thus aligned with the latest amendments approved regarding the organization, operations and the wording of the IRC in November 2022.

On the other hand, a new subsection (o) is added to paragraph 2 of this section, to address the assignment by the board of directors of oversight duties regarding the new Cybersecurity Advisory Committee to the Audit and Compliance Committee. This addition has entailed the necessary renumbering of the section.

- Amendment to section 18 ("The Social Advisory Board") in Chapter IV ("Structure of the board of directors")

The existence of a new body, the Cybersecurity Advisory Committee that advises the Audit and Compliance Committee in the field of cybersecurity has been included in this section, as both the Social Advisory Board and this new Committee are similar in nature.

The amendment reflects the need for the Audit and Compliance Committee and the new Cybersecurity Advisory Committee to be engaged in an effective and continuous dialogue.

It is further clarified that the Social Advisory Board reports to the board of directors via the Sustainability Committee.

The opportunity has been taken to point out that, although both the Social Advisory Board and the Cybersecurity Advisory Committee are internal bodies, external members outside the Group sit on them, with information and advisory non-executive powers.

- Amendment to section 25 ("Resignation and removal of Directors") in Chapter V ("Proceedings of the board of directors")

The provision that directors should vacate office upon reaching 68 years of age (65 in case of the CEO or the Managing Director) has been removed.

Thus, any limit whatsoever associated with the age of directors was removed, thus boosting diversity and avoiding any bias that prevents a balanced board membership.

Likewise, certain editorial improvements were made to clarify that pursuant to its new wording, it will be incumbent on the board of directors to determine, in each case and at its own behest, whether or not the director in question should offer their resignation.

Additionally, a general obligation has been established for directors to apprise the board, as soon as they become aware of them, of any circumstance which may lead to their termination, where the Company would not have otherwise become aware of the same.

- Amendment to section 36 ("Non-public information") in Chapter IX ("Directors' duties")

Paragraph 4 is deleted as it has the same wording as paragraph 2.

C.1.16. Specify the procedures for selection, appointment, re-election and removal of directors. List the competent bodies, steps to follow and criteria applied in each procedure.

The system for the selection, appointment and re-election of members of the board of directors constitutes a formal and transparent procedure that is expressly covered in the Articles of Association, the Board of Directors' Regulations and the Nomination Committee's Regulations.

Additionally, the Diversity of Board of Directors Membership and Director Selection Policy referred to in section C.1.5 above provided guidance on selection of directors for the purposes of guiding the proceedings of the Board of Directors and the Nomination Committee in this area.

The Policy is informed by GGC Recommendations and the overarching principles and guidelines of CNMV's Technical Guide 1/2019. According to the Policy, the process to appoint, ratify and re-elect directors shall be guided by the following overarching principles: (i) favouring diversity and search for excellence within the board of directors; (ii) the selection process for prospective directors shall not be tainted by any kind of discrimination and shall follow the merit-based approach; (iii) fulfilling the corporate interest; and (iv) transparency in the process to select prospective directors.

In this regard, the Policy sets forth that the selection, appointment, ratification and re-election of directors shall be based on a prior analysis of the needs of the Company and the Group, and of the competences required by the board of directors itself. This analysis shall be carried out by the board of directors on the advice of the Nomination Committee. The board of directors has its own organization and internal proceedings, including: (i) the co-option of directors to fill board vacancies, on the proposal or following a favourable report of the Nomination Committee, as the case may be; and (ii) the election, on the proposal or following report of the same committee, of internal positions and of members of board committees. In turn, the Nomination Committee is responsible for the process of selecting prospective directors. Pursuant to the Articles of Association, the Board of Directors' Regulations, and its own terms of reference, directors shall be appointed either by the General Meeting of Shareholders or the board of directors, pursuant to applicable laws and the company' regulations on corporate governance.

The proposals on the appointment, ratification or re-election of directors submitted by the board of directors to shareholders at the Annual General Meeting, and the appointment resolutions passed by the board of directors via the co-option system in use of the powers it is entrusted by statute shall be made following: (i) a proposal raised by the Nomination Committee, as regards independent directors; or, (ii) a report of the Nomination Committee for all other directorship types.

To ensure the appropriate board membership at all times, the structure, size and membership on the board and its committees shall be regularly reviewed.

To this end, efforts should be made to ensure that the board of directors has a balanced membership with regard to the different directorship types, with a large majority of non-executive directors and an appropriate mix of proprietary and independent directors, and an appropriate balance of profiles, knowledge, skills, careers and experiences so that multiple viewpoints are contributed to the discussion of the business transacted and the decision-making process is enriched. In addition, consideration should be given to ensuring a progressive and orderly board refreshment to achieve the objectives set out in the Policy.

As provided in the Policy, the findings of the above-mentioned prior analysis shall be written up in an explanatory report issued by the Nomination Committee, to be posted on the corporate website upon calling the General Meeting to which the nomination, ratification or re-election of any director is submitted.

Prospective directors of the Company shall meet at all times the following requirements:

- Be honest, respectable persons of well-known ability, competence, professional background and experience and merits.
- Be law-abiding and respectful of good marketing practices both in their lives and professional careers and observe the provisions of applicable regulations.
- Be trustworthy professionals whose conduct and career are aligned with the principles and duties set out in Inditex's internal regulations–in particular, in the Code of Conduct–and with the views and values of the Inditex Group.
- Be committed to their duties as directors and available to dedicate sufficient time and efforts to meet their board responsibilities.

In the process for the selection of prospective directors, those individuals who meet the requirements laid down in the Policy and who, given their profile and qualities favour diversity of knowledge, skills, experiences, origin, age and gender on the board of directors, shall be considered, and any implicit bias which might entail any manner of discrimination and specifically hamper selection of female directors shall be prevented.

In order to define the duties and required skills of prospective directors, the Nomination Committee shall review the competences, knowledge, experience and other occupations of current directors serving on the board, as well as the existing board skills matrix, , based upon which it shall define the duties and skills required from candidates who have to fill each vacancy and evaluate the required time and dedication for them to effectively meet their board responsibilities.

Those persons who are involved in any legal grounds of disqualification to be a company director or who fail to meet the requirements set forth by the Company's corporate governance rules to be a director, shall not be eligible to be a director.

In particular, neither the committee nor the board of directors can propose or appoint as member of the board of directors anyone who serves as a director at the same time in more than four listed companies other than the Company.

The Nomination Committee shall take into account the proposals submitted by any director, provided that the prospective candidate meets the requirements to be eligible and the provisions of the Diversity of Board of Directors Membership and Director Selection Policy are observed. To do so, it shall take all necessary measures and make all appropriate enquiries to ensure that the candidates are

not involved in any of the scenarios described in the foregoing paragraphs.

Likewise, the Company may rely on external advisors to carry out the prior analysis of the needs of the company, and to assess the competences required by the board of directors and the Inditex Group, as well as to search or assess prospective directors or evaluate their performance and/or suitability. It is incumbent upon the Nomination Committee to establish and ensure the effective independence of the above-mentioned experts.

The proposals or reports on the appointment of directors shall be prepared by the Nomination Committee and include the directorship type assigned to the director. This classification must be duly supported.

Proposal on the election of directors submitted by the board of directors to shareholders at the Annual General Meeting shall be accompanied by an explanatory report issued by the board of directors assessing the qualifications, experience and merits of the proposed candidate; such report shall be attached to the minutes of the board meeting. Additionally, with regard to the ratification or re-election of directors, the explanatory report shall assess the quality of the director's work and their dedication to office during their tenure as well as their observance of the company's corporate governance rules. In any case, the Nomination Committee shall take into account the need for progressive board refreshment.

Where the board of directors departs from the proposals and reports of the Nomination Committee, it must state the reasons for its actions and place them on record.

With regard to the representation target for the least represented gender on the board and to the guidance on how to meet it, the company has updated the female representation target on the board of directors, in line with Recommendation 15 GGC, as provided in section 5.1.1 of the Diversity of Board of Directors Membership and Director Selection Policy and in section 6 (d) of the Nomination Committee's Regulations. The company endorsed the commitment to ensure that the number of female directors should account for at least 40% of all board seats by the end of 2022.

The Nomination Committee shall, on an annual basis, establish compliance with the Diversity of Board of Directors Membership and Director Selection Policy and inform the board of directors thereof, and the board shall disclose said information in the Annual Corporate Governance Report.

With regard to the removal and dismissal of directors, directors shall vacate office upon expiry of their term of office, or at any time further to a resolution of the General Meeting of Shareholders.

The board of directors may only propose to the General Meeting the removal of an independent director before the expiry of their term of office when a just cause arises, where the director has incurred in any grounds for dismissal or resignation pursuant to applicable regulations or to the Company's corporate governance rules. Said just cause must be considered by the board, following a favourable report from the Nomination Committee.

In particular, pursuant to section 25.3 of the Board of Directors' Regulations, a just cause will exist when a director holds new positions or assumes new obligations preventing them from making sufficient time available for board meetings and other duties inherent in the office of director; is in breach of the duties inherent in the office or is involved in any of the circumstances leading to them no longer qualifying as independent directors, pursuant to the provisions of applicable regulations. Likewise, removal of a director may be proposed as a result of takeover, mergers or other similar corporate transactions that entail a change in the shareholding structure of the Company, where said change entails in turn another in the structure of the board of directors on account of the ratio of proprietary directors.

Furthermore, where a director vacates their office before the end of their term of office through resignation or further to a resolution of the General Meeting of Shareholders, they should state the reasons for the resignation, or with regard to non-executive directors, their opinion on the reasons for the dismissal resolved by the General Meeting of Shareholders, in a letter that must be addressed to all the members of the board of directors. To the extent that this may be relevant for investors, and without prejudice to reporting it in the Annual Corporate Governance Report, the Company, shall announce their departure in the shortest delay with sufficient reference to the reasons or circumstances provided by the director.

In addition, the Nomination Committee must issue a report with regard to the proposal for early termination of independent directors.

When directors tender their resignation, the Nomination Committee must ensure the transparency of the process, gathering the information it may deem necessary to this end.

C.1.17. Explain to what extent the annual evaluation of the Board has given rise to significant changes in its internal organization and in the procedures applicable to its activities:

The Company carries out a self-evaluation process with regard to the performance of the board of directors and its committees, the Chair, the CEO, the Lead Independent Director and the Secretary of the board, as provided in its internal regulations, in accordance with applicable regulations and GGC Recommendations.

In this regard, following each annual evaluation, a number of recommendations are issued, where appropriate, to improve (i) the quality and effectiveness of board proceedings; (ii) the proceedings and membership of its committees, paying special attention to the chairs of the different board committees; (iii) the diversity of board membership and powers; (iv) the performance of the Chair and the CEO; and (v) the performance and input of the Lead Independent Director and the Secretary of the board.

The Nomination Committee approved on 13 February 2023 the action plan resulting from the annual evaluation of the performance of board of directors, its committees, the Chair, the CEO, the Lead Independent Director and the Secretary of the board carried out in 2022.

The measures envisaged in such action plan have been implemented throughout 2023 with regard to the following:

/ Meetings time has been optimized and more time has been dedicated to the big issues.

In 2023, in person and virtual meetings were held. Virtual meetings have allowed a better distribution of business to be transacted, thus facilitating a higher dedication to the main risks that the company faces and allowing for in person meetings to have a lighter agenda .

/ A number of measures aimed at increasing the board's involvement in strategy, succession plans and talent management have been implemented.

/ More meetings of members of the Audit and Compliance Committee with statutory auditors without any member of management being present have been scheduled and arranged.

In this regard, two such annual meetings have been included in the schedule of meeting dates and agenda of business to be transacted by the Audit and Compliance Committee.

All the foregoing has resulted in a substantial improvement of the proceedings of the board and its committees, and the continuous improvement of best practices in the field of corporate governance.

As explained in detail in section C.1.18. below, in accordance with best practices, in 2023 the Nomination Committee resolved to outsource the self-assessment process, which was commissioned from KPMG, an external advisor, whose independence was established by the committee.

The strengths pointed out in the evaluation include the work atmosphere, the adequate discharge of duties and the trust in the management model, the satisfaction with the agenda and the order of business of the meetings, the quality of the information provided, and the follow-up on the action plans resulting from prior evaluations. In their self-assessment, directors have also pointed out, in line with the headway made in recent years, the need to continue improving the Company's corporate governance system.

Describe the evaluation process and the areas evaluated by the board of directors with or without the help of an external advisor regarding the functioning and composition of the Board and its committees and any other area or aspect that has been evaluated.

Pursuant to the provisions of section 7(a) of the Nomination Committee's Regulations, the committee must establish and oversee an annual programme for evaluating the performance of the board of directors, its committees, its Chair, the CEO, the Lead Independent Director and the Secretary of the board and in particular, follow up on attendance of directors at the meetings of the board and the committees where they sit.

The Nomination Committee prepares a programme to evaluate the performance of the board of directors, its committees, its Chair, the CEO, the Lead Independent Director and the Secretary of the board. Such Programme was approved by the committee in December 2015 and subsequently amended in September 2022.

Pursuant to the Programme and applicable best practices, the committee resolved this year and for the first time, to outsource the self-assessment process and engage an external facilitator, KPMG, whose independence was assessed by the committee itself.

For the first time this year, the methodology and structure used has combined: (i) the preparation and distribution of questionnaires with 146 matters subject to assessment, and (ii) raising questions in writing to directors to subsequently interview them separately in a confidential manner.

The self-assessment has covered issues such as organization, membership, effectiveness, proceedings and responsibilities of the main governing bodies and key positions.

The process has also included the review by the external expert of Inditex's practices regarding the expectations of the most relevant external players (proxy advisors and institutional investors).

KPMG has issued a report with the findings reached, based on the directors' insights, both global and for each body and position separately, with qualitative and quantitative information.

On 11 December 2023, the committee reviewed the results of the self-assessment of performance carried out by the external advisor. The overall assessment has been very good as directors consider that the board and its committees are very well run and effective, as are their respective chairs, and that the Chair of the board, the CEO, the Lead Independent Director and the Secretary are very capable.

The strengths pointed out in the evaluation have been noted in the section above. In addition, several areas for improvement have been identified. They must be a priority in 2024.

Based on the results of the evaluation, the committee approved an action plan at the meeting held on 11 December 2023, to be followed up throughout 2024. The committee apprised the board on the results of the evaluation and the action plan at the meeting held on 12 December 2023.

C.1.18. Provide details, for years in which the evaluation was carried out with the help of an external advisor, o f the business relationships that the external advisor or company in its group maintains with the company or any company in its group.

In 2023, Inditex has relied on the advice of external consultant KPMG regarding the self-evaluation of the performance of the board of directors and its committees, the Chair, the CEO, the Lead Independent Director and the Secretary of the board.

Other than this engagement, KPMG has other business relationships with Inditex and other Group companies which do not extend to advice on remuneration and/or selection of directors or key staff for the Company. Therefore, none of such business relationships could lead to a potential conflict of interest as regards the advice given on the self-evaluation process.

C.1.19. Indicate the cases in which directors are required to resign.

Pursuant to section 25 of its terms of reference, the board of directors may urge its members to offer their resignation and will, if appropriate, propose their dismissal to shareholders at the General Meeting of Shareholders in the following cases:

(a) When they cease to hold the executive positions to which their appointment as director was associated.

(b) When they are involved in any of the incompatibility or prohibition cases provided in applicable regulations, the Articles of Association or these Regulations, including if they would happen to hold the office of director in more than four listed companies other than the Company.

(c) When they are seriously admonished by the Audit and Compliance Committee for having breached their duties as directors.

(d) When they are involved in any circumstances affecting them, related or not to their actions within the Company, that may damage the name and reputation of the Company or otherwise jeopardise the Company's interests. For this purpose, they shall report to the board of directors any criminal cases in which they are accused as well as the occurrence of any other procedural milestones..

(e) When the reasons for their appointment cease to exist.

(f) With regard to proprietary directors, when the shareholders they represent dispose of their ownership interest in its entirety or reduce it up to a limit that requires the reduction of the number of proprietary directors.

(g) With regard to independent directors, when they have continuously held the position on the board in the Company for 12 years.

Directors having incurred in any of the circumstances above that the Company could not have become aware of, shall give notice thereof to the board of directors in the shortest delay, offering their resignation to the board.

C.1.20. Are qualified majorities other than those established by statute required for any particular kind of decision?

Yes x No

If so, describe the differences.

Description of requirements
A qualified majority other than that established by statute is exclusively required to amend the Board of Directors' Regulations. Pursuant to section 3.4 thereof, in order for the amendment of said Regulations to be valid, a resolution passed by a majority of two-thirds of the directors present shall be required.

Apart from this, the scenarios of qualified majority for the passing of resolutions by the board of directors are addressed in article 25.4 of the Articles of Association, which reads: "*For resolutions to be passed, an absolute majority of votes by the directors attending the meeting shall be required, except for those cases where a larger majority is required by statute, by these Articles of Association or by the Board of Directors' Regulations. In the case of an equality of votes, the Chair shall have a casting vote.*" Likewise, article 27.2 of the Articles of Association provides that for the permanent delegation of any power of the board of directors to the Executive Committee or the CEO, and for the appointment of the directors who have to hold such offices, it shall be necessary for two-thirds of those making up the board of directors to vote for the proposal, as provided in section 249.2 LSC.

C.1.21. Explain whether there are any specific requirements, other than those relating to directors, for being appointed as chairman of the Board of Directors.

Yes No x

Description of requirements
—

C.1.22. Indicate whether the articles of association or Board regulations establish any limit as to the age of directors:

Yes No x

As explained in section C.1.15. above, the Board of Directors Regulations were amended in part in 2023 for the purposes, inter alia, of removing any age limit for directors, thus boosting diversity and avoiding any manner of bias that would prevent an appropriate board membership.

C.1.23. Indicate whether the articles of association or Board regulations establish any term limits for independent directors other than those required by law or any other additional requirements that are stricter than those provided by law:

Yes No x

Additional requirements and/or maximum number of years of office	-

C.1.24. Indicate whether the articles of association or Board of Directors' regulations establish specific rules for appointing other directors as proxy to vote in Board meetings, if so the procedure for doing so and, in particular, the maximum number of proxies that a director may hold, as well as whether any limit has been established regarding the categories of director to whom votes may be delegated beyond the limits imposed by law. If so, briefly describe these rules.

Article 25.3 of the Articles of Association sets forth that any director can appoint another director as proxy holder in writing for, each meeting, giving written notice thereof to the Chair of the board..

Pursuant to said article and section 20.1 of the Board of Directors' Regulations, non-executive directors may only be represented by another non-executive director.

No maximum number of proxies that a director can hold has been fixed.

In line with this provision, section 20.1 of the Board of Directors' Regulations provides that quorum shall be present on the board of directors when at least half plus one of its members attend either in person or by proxy (or, in case of an uneven number of directors, when a number of directors immediately higher than half of it is in attendance), stating further that the directors shall do their best to attend the meetings of the board of directors, and, when they cannot do so in person, they shall endeavour to grant a proxy to another member of the board giving instructions as to its use and communicating the same to the Chair of the Board of Directors.

C.1.25. Indicate the number of meetings held by the Board of Directors during the year. Also indicate, where applicable, the number of times the Board met without the chairman being present. Meetings where the chairman gave specific proxy instructions are to be counted as attended.

Number of board meetings	8
Number of board meetings held without the chairman's presence	0

Indicate the number of meetings held by the lead independent director with the other directors, where there was neither attendance nor representation of any executive director:

Number of meetings	0

Remarks

Indicate the number of meetings held by each board committee during the year:

Number of meetings held by the Executive Committee	0
Number of meetings held by the Audit and Compliance Committee	7
Number of meetings held by the Nomination Committee	6
Number of meeting held by the Remuneration Committee	4
Number of meetings held by the Sustainability Committee	5

C.1.26. Indicate the number of meetings held by the Board of Directors during the year with member attendance data:

Number of meetings in which at least 80% of directors were present in person	7
Attendance in person as a % of total votes during the year	89.00 %
Number of meetings with attendance in person or proxies given with specific instructions, by all directors	8
Votes cast in person and by proxies with specific instructions, as a % of total votes during the year	100 %

C.1.27. Indicate whether the individual and consolidated financial statements submitted to the Board for issue are certified in advance:

Yes x No

Identify, where applicable, the person(s) who certified the individual and consolidated financial statements of the company for issue by the Board:

The individual and consolidated annual accounts of the Company that are presented to be stated by the board of directors are previously certified by the CEO and the CFO.

Name	**Position**
Mr Óscar García Maceiras	CEO
Mr Ignacio Fernández Fernández	CFO

C.1.28. Explain the mechanisms, if any, established by the Board of Directors to ensure that the financial statements it presents to the General Meeting of Shareholders are prepared in accordance with accounting regulations.

The Audit and Compliance Committee, mostly made up of non-executive independent directors, meets with external auditors in order to review the Company's annual accounts and certain periodic financial information that the board of directors must provide to the markets and their supervisory boards, overseeing compliance with statutory requirements and the appropriate application of generally accepted accounting principles in the drafting of the financial statements. At the meetings that the Audit and Compliance Committee holds with external auditors (at least twice a year without any member of the management being present), any disagreement or difference of opinion existing between the Company's Management and the external auditors is put forward, so that the board of directors can take the necessary steps to ensure that the annual accounts are stated in accordance with accounting regulations, endeavouring for them to be drafted in such a manner that they do not give rise to qualifications on the part of the auditor.

Furthermore, before drafting the annual, half-yearly or quarterly financial statements, the Company's Management meets with the Audit and Compliance Committee and is subjected by the latter to suitable questions as to, among others, the application of accounting standards and the estimates made in the preparations of the financial statements, topics that are subject to discussion with the external auditors.

In this regard, in line with Recommendation 8 GGC, section 7(d) of the terms of reference of the Audit and Compliance Committee includes the following among the powers of such committee: *"to review the contents of the auditor's reports and, where appropriate, of the reports on limited review of interim accounts, as well as other mandatory reports to be prepared by the statutory auditor, prior to the issue thereof, in order to avoid qualified reports, ensuring that the annual accounts that the Board of Directors presents to the General Meeting of Shareholders are drawn up in accordance with accounting standards and, that in the circumstances where the statutory auditor includes any qualification in the auditor's report, the Chair of the Committee should give a clear explanation at the General Meeting of the committee's opinion regarding the contents and scope of such qualifications, making a summary of that opinion available to the shareholders at the time of the publication of the notice calling the General Meeting of Shareholders along with the rest of the proposals and reports of the board of director."*

Meanwhile, section 45.5 of the Board of Directors' Regulations reads as follows: "*The board of directors shall ensure that the annual accounts are drawn up in accordance with accounting standards, striving for them to be drafted in such a manner that they do not give rise to qualifications on the part of the auditor. However, in the exceptional circumstances where the auditor expresses a qualified opinion and the Board of Directors considers that it must stick to its position, it shall publicly explain the contents and scope of the*

discrepancy. The foregoing without prejudice to the information that the Chair of the Audit and Compliance Committee would make available to the shareholders at the Annual General Meeting."

Finally, pursuant to the provisions of section 45.2 of the Board of Directors Regulations, the board shall meet at least once a year with the statutory auditor to receive information on the work done and on the evolution of the accounting and risk situation of the Company.

C.1.29. Is the secretary of the Board also a director?

Yes No x

If the secretary is not a director, complete the following table:

Name or company name of the secretary	Representative
Mr Javier Monteoliva Díaz	—

C.1.30. Indicate the specific mechanisms established by the company to safeguard the independence of the external auditors, and any mechanisms to safeguard the independence of financial analysts, investment banks and rating agencies, including how legal provisions have been implemented in practice.

Section 45 of the Board of Directors' Regulations reads:

1. "*The relations of the Board of Directors with the external auditor of the Company shall be channelled through the Audit and Compliance Committee.*

2. The Board of Directors shall meet at least once a year with the statutory auditor to receive information on the work done and on the evolution of the accounting and risk situation of the Company.

3. The Audit and Compliance Committee shall refrain from proposing to the Board of Directors, and the latter shall refrain from putting forward to the General Meeting of Shareholders, the appointment as statutory auditor of the Company of an audit firm incurring in incompatibility in accordance with the laws on statutory audit as well as any audit firm wherein the fees that the Company expects to pay them for all services are in excess of the limits established in the legislation on statutory audit.

4. The Board of Directors shall publicly disclose the whole of the fees paid by the Company to the audit firm for non-audit services. [...]"

The measures to preserve the independence of external auditors are explained below:

- The Audit and Compliance Committee, mostly made up of non-executive independent directors, which has as a whole the relevant background with regard to the industry to which Inditex belongs, proposes to the board of directors to be subsequently raised to shareholders at the Annual General Meeting: (i) the appointment of the statutory auditors, as such committee is responsible for the auditors selection process pursuant to applicable regulations; as well as (ii) the terms of their engagement; (iii) the scope of their professional mandate; and, where appropriate, (iv) the termination or non-renewal of their appointment.

  With regard to said process for the selection of auditors, mentioned above, and in accordance with the provisions of CNMV's Technical Guide 3/2017 on audit committees at public-interest entities, the Procedure for the Selection of the Statutory Auditor was approved by the Audit and Compliance Committee on 9 September 2019.

  For the purposes of ensuring an unbiased, fair, transparent and efficient and non-discriminating process, the selection criteria to be considered are defined in the Procedure, as well as the various proceedings both for the selection and appointment of external auditors, and for their re-election or replacement.

  In accordance with the Procedure, the process for the selection of auditor must begin with the issue of tender documents for candidate firms, pursuant to a timeline and a request for proposals previously determined. A working team made up of members from different areas and departments will be appointed to assist in the process. This team will be responsible for selecting and inviting candidate firms to tender their proposal to become the statutory auditor of the Inditex Group. Finally, the work team will issue a report evaluating the proposals tendered based upon the predefined criteria.

  On the other hand, the criteria for the re-election or replacement of the statutory auditors are also defined in the Procedure, based upon an annual evaluation of the proceedings of the statutory auditor that will take into account, without limitation, their contribution to the quality of the audit and to the integrity of financial and non-financial information.

- Likewise, the Audit and Compliance Committee is entrusted with the duty of liaising with external auditors in order to receive information on such matters that could compromise their independence and on any other matter related to the carrying out of the statutory audit, as well as on those other communications envisaged by statutory audit legislation and auditing standards. Namely, the Audit and Compliance Committee shall:

  - Receive from the statutory auditors on an annual basis, the statement on their independence regarding the Company or the companies related thereto, directly or indirectly.

  - Oversee the engagement of the statutory auditor for non-audit services as well as the terms and the performance of the contracts entered into with the external auditor of the Company for the rendering of such services.

In this regard, the Company relies on the Policy on statutory auditor contracting for the provision of non-audit services (formerly, the Procedure to Contract an Auditor for the Provision of Additional Non-audit Services, approved by the Audit and Compliance Committee on 18 July 2016). The Policy, as amended, was approved by the board at the meeting held on 15 March 2022, to align it with the new implementing regulations of the Statutory Audit Act.

The Policy regulates the process to be followed so that the Audit and Compliance Committee may be apprised of and approve the contracts entered into by the Company and the entities of its Group with the Statutory Auditor for the provision of non-audit services.

As a general rule, for the purposes of maintaining as much as possible the statutory auditor's independence, the Inditex Group is willing to limit as far as possible the provision of non-audit services by the former, outlining a list of services which they are prohibited to render. In addition, the Policy sets forth that non-audit services shall only be provided by the statutory auditor with the approval of the Audit and Compliance Committee.

According to the Policy, before entering into any contract, the external auditor shall send to the Audit and Compliance Committee a request for approval of non-audit services. Such request must be accompanied by a document appropriately detailing the services requested so that the Audit and Compliance Committee may proceed to a global and effective review of the threats and/or impacts that their engagement might entail to their independence, both individually and as a whole.

However, to ensure a certain flexibility, the Audit and Compliance Committee may pre-approve on an annual basis certain types of services which are recurrent and standard with regard to their purpose. To grant such pre-approval, the potential threats and safeguards that the services might entail to the independence of the statutory auditor must be reviewed and assessed. Following the engagement of such services, the detail thereof must be provided to the Audit and Compliance Committee. Should the terms and conditions of pre-approved services under this system be subject to substantial amendments, this shall be reported and they will be subject to new approval by the Audit and Compliance Committee.

- Additionally, for the purposes of reinforcing the duty to oversee and establish the independence of the statutory auditor, the engagement by Inditex's controlling shareholder (i.e.,Pontegadea Inversiones, S.L.) of non-audit services from such auditor shall be subject to prior approval by Inditex's Audit and Compliance Committee.

- Verify that the Company and the statutory auditor also respect the limits on the concentration of the auditor's business, the rules on professional fees and, generally, all other regulations established to ensure the independence of the auditors.

  In this regard, it shall ensure that the remuneration of the external auditors for their work does not compromise their quality and independence.

- Finally, issue on an annual basis and prior to the issue of the auditor's report, a report setting forth its opinion on whether the independence of the statutory auditor or of the audit firm has been jeopardised. In any case, this report must contain the assessment of the provision by external auditors of each and every additional non-audit service, considered both separately and as a whole, and its opinion regarding the independence system of the auditor pursuant to statutory audit regulations.

- Last, in the event of resignation of the statutory auditor, the Audit and Compliance Committee shall examine the circumstances that may have given rise thereto.

As regards the mechanisms established to ensure the independence of the financial analysts, the Company releases information to the market following the principles of the IRC, especially relating to the obligation that the information must be accurate, clear, quantified and complete, avoiding subjective assessments that lead or could lead to confusion or deceit.

The Company also relies on the Policy on Communication and Contact with Shareholders, Institutional Investors and Proxy Advisors, informed by a set of principles that it must observe upon disclosing information: transparency, accuracy, immediacy and symmetry. Under the policy, the Company is encouraged to keep communication channels that ensure that clear, full, streamlined and simultaneous information is made available to its current and potential shareholders, to assess the performance of the Company and its economic and financial results. This Policy is available on the corporate website.

Likewise, in accordance with Recommendation 4 GGC, the board of directors approved on 14 December 2020, following a report from the Audit and Compliance Committee, the Policy on Disclosure of Economic-Financial, Non-Financial and Corporate Information that seeks to establish a framework for action and define the overarching principles that will govern the disclosure by the Company of Economic-Financial, Non-Financial and Corporate Information via Regulated and non-Regulated Channels.

The Policy is aligned with the provisions of the Company's internal regulations, in particular with the Policy on Communication and Contacts with Shareholders, Institutional Investors and Proxy Advisors.

As the highest supervisory body responsible for overseeing economic-financial, non-financial and corporate information, the board of directors shall ensure the largest circulation and the highest quality of the information provided to the stakeholders and to the markets at large, in accordance with a set of principles, including transparency, objectivity, accuracy, immediacy and symmetry in disclosure of information.

C.1.31. Indicate whether the company changed its external auditor during the year. If so, identify the incoming and outgoing auditors:

Yes No x

The appointment of Ernst & Young, S.L. as statutory auditor to audit the individual annual accounts and directors' report of the Company, and the consolidated annual accounts and directors' report of the Inditex Group for financial years 2022, 2023 and 2024, was approved at the Annual General Meeting held on 12 July 2022, on the proposal of the board of directors, after a favourable report from the Audit and Compliance Committee.

If there were any disagreements with the outgoing auditor, explain their content:

Yes No x

Explanation of disagreements
—

C.1.32. Indicate whether the audit firm performs any non-audit work for the company and/or its group and, if so, state the amount of fees it received for said work and express this amount as a percentage of the total fees invoiced to the company and/or its group for audit work:

Yes x No

	Company	Group companies	Total
Amount invoiced for non-audit services (thousands of euros)	50	62	112
Amount invoiced for non-audit work/Amount for audit work (in %)	9,6 % [1]	0.8 %	1.4 %

1. The count on which this percentage is calculated only includes the statutory audit of Inditex's individual accounts (and the verification of the relevant statement on non-financial information).

C.1.33. Indicate whether the auditors' report on the financial statements for the preceding year contains a qualified opinion. If so, indicate the reasons given to shareholders at the general meeting by the chairman of the audit committee to explain the content and extent of the qualified opinion.

Yes No x

Explanation of the reasons and direct link to the document made available to the shareholders at the time that the general meeting was called in relation to this matter
-

C.1.34. Indicate the number of consecutive years for which the current audit firm has been auditing the company's individual and/or consolidated financial statements. Also, indicate the number of years audited by the current audit firm as a percentage of the total number of years in which the financial statements have been audited:

	Individual	Consolidated
Number of consecutive years	2	2

	Individual	Consolidated
Number of years audited by the current audit firm/number of years in which the company has been audited (in %)	0.05%	0.06%

C.1.35. Indicate whether there is a procedure for directors to be sure of having the information necessary to prepare the meetings of the governing bodies with sufficient time; provide details where applicable:

Yes x No

Details of the procedure

Pursuant to section 19.2 of the Board of Directors' Regulation, the notice calling ordinary meetings shall be given at least 3 days in advance of the meeting, and the order shall always include the agenda of the meeting and shall be accompanied by the duly summarised and prepared relevant information.

In this regard, to help directors effectively prepare meetings, in addition to the documentation relating to agenda items, an executive summary of each of them is made available to them ahead of each meeting, outlining the main business to be transacted, the reports, presentations, sundry supporting documentation, and the minutes of the previous meeting.

The documentation deemed appropriate to prepare the meetings of the board and its committees, according to the agenda, including the relevant presentations is made available to directors in real time via a platform. Said tool gives directors permanent access to the documentation. Additionally, other relevant information for the appropriate performance of their duties is added through the tool (including, without limitation, internal conduct and corporate governance policies, updated membership of governing bodies, information about current resolutions on remuneration or analysts' reports which may be useful for directors), in a confidential and secure environment.

For the purposes of ensuring that Inditex's board members fully understand their duties and responsibilities as well as the proceedings of the Company's governing bodies, a "Directors Handbook" which is kept updated is available to new directors and generally, to directors upon request.

Additionally, section 27 of the Board of Directors' Regulations, recognises the widest powers for directors to garner information about any topic affecting the Company (and its subsidiaries); examine its books, registers, documents and other records of the company's operations and inspect all its facilities; likewise it provides that the exercise of the powers of information shall be channelled through the Chair, the Deputy Chair or (any of the Deputy Chairs, where appropriate), or through the Secretary of the board of directors, who shall attend to the requests made by any director, and directly provide them with the information, facilitate contacts with the appropriate spokespersons at the appropriate level in the organisation or establish such measures as to enable them to conduct the desired examinations on-site.

On the other hand, specific questions on the quality of the information made available to directors and on how early in advance it has been received, are included in the evaluation questionnaire of the board. Additionally, the areas subject to improvement identified in the previous year and the assessment of the directors in respect of the improvement thereof, is subject to annual follow-up. This entails that where directors point out quality of information and/or how in advance they receive it as potential areas subject to improvement, progress can be made regarding submission of information required to prepare the meetings of the board of directors and its committees.

Meanwhile, section 28 of the Board of Directors' Regulations addresses the possibility for directors to seek external advice.

C.1.36. Indicate whether the company has established rules obliging directors to inform the Board of any circumstances, whether or not related to their actions in the company itself, that might harm the company's standing and reputation, tendering their resignation where appropriate. If so, provide details:

Yes x No

Explain the rules

Pursuant to Recommendations 22 and 24 GGC and section 25.2(e) of the Board of Directors' Regulations, the board of directors may urge its members to offer their resignation and, if appropriate, propose their dismissal to shareholders at the General Meeting of Shareholders, when they are involved in any circumstances affecting them, related or not to their actions within the Company, that may harm the name and reputation of the Company or otherwise jeopardise its interests. In this regard, directors shall report to the board of directors any such circumstances in the shortest delay, when the Company could not have become aware of them

Meanwhile, pursuant to section 25.2(d) of the Board of Directors' Regulations, directors shall report to the board of directors any criminal cases in which they are accused as well as the occurrence of any other procedural milestones.

C.1.37. Indicate whether, apart from any special circumstances that may have arisen and been duly noted in the minutes, the Board of Directors has been notified or has otherwise become aware of any situation affecting a director, whether or not related to his or her actions in the company itself, that might harm the company's standing and reputation:

Yes x No

Remarks
The board of directors has not been notified in the year nor has it been made aware of any situation affecting a director, that might harm the company's standing and reputation.

C.1.38. Detail any material agreements entered into by the company that come into force, are modified or are terminated in the event of a change in control of the company following a public takeover bid, and their effects.

Not applicable.

C.1.39. Identify individually as regards directors, and in aggregate form in other cases, and provide details of any agreements between the company and its directors, executives or employees containing indemnity or golden parachute clauses in the event of resignation or dismissal without due cause or termination of employment as a result of a takeover bid or any other type of transaction.

Number of beneficiaries	18

Type of beneficiary	Description of agreement
CEO	The executive director will be entitled to severance pay in a gross amount equivalent to the remuneration of 2 years calculated based upon his annual fixed and variable remuneration for the current year, where his contract is terminated by unilateral decision of the Company, as well as in case of resignation tendered by the CEO based under certain grounds (including the succession in the company or a change in control in the Company that affects more than 50% of the share capital or of the voting rights, provided that a significant refreshment of the governing bodies of the Company or a change in the purpose of the main activity of the Company takes place at the same time, if such request for termination is made within 6 months of the occurrence of such succession or change. For this purpose, no succession or change in control shall be deemed to have taken place in the event of direct or indirect family succession in the ownership of the Company).
Senior managers and officers	Golden parachute clauses are written in the contracts executed with 17 senior managers in the event that their contract, whether ordinary or for executive service, is terminated further to withdrawal by Inditex, wrongful or unreasonable dismissal, or resignation based upon certain grounds, pursuant to the terms and conditions of their contracts. In such cases, the senior manager shall be entitled to severance pay in a gross amount equivalent to the remuneration of 2 years, calculated based upon the fixed and variable remuneration determined for the current year.

Indicate whether, beyond the cases established by law, these agreements have to be communicated and/or authorised by the governing bodies of the company or its group. If so, specify the procedures, the cases concerned and the nature of the bodies responsible for their approval or communication:

	Board of Directors	General Meeting of Shareholders
Governing body authorizing the clauses	x	

	Yes	No
Are these clauses notified to the General Meeting of Shareholders?	x	

The internal system regarding approval of the terms and conditions of the contracts entered into by the Company or any Group company with senior managers and directors, set forth in the Articles of Association, the Board of Directors' Regulations and the specific

terms of reference of each board committee, is similar to the statutory system provided in the Companies Act.

The terms and conditions of executive employment contracts are approved by the board of directors, following a favourable report from the Remuneration Committee.

Information about such terms, included in the contract entered into with the CEO, can be found in the Annual Report on Remuneration of Directors for 2023, which will be put to an advisory say-on-pay vote at the following Annual General Meeting as a separate agenda item.

C.2. Committees of the Board of Directors

C.2.1. Provide details of all committees of the Board of Directors, their members, and the proportion of executive, proprietary, independent and other external directors forming them:

EXECUTIVE COMMITTEE

In accordance with the provisions of article 27 of the Articles of Association, an Executive Committee was set up by the Board of Directors on 28 February 1997. It holds in delegation all the powers of the board, except for those that cannot be delegated by statute or pursuant to the Articles of Association and those that are necessary for the responsible exercise of the general supervisory function that is incumbent on the board of directors.

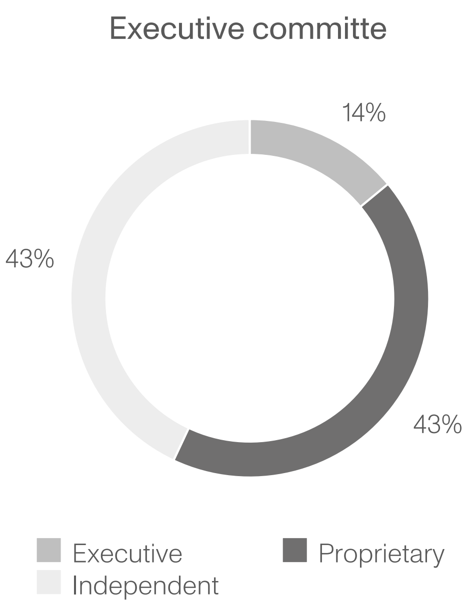
The Executive Committee's membership as at 31 January 2024 is as follows:

Name	Position	Directorship type
Mr Óscar García Maceiras	Chair	Executive
Mr José Arnau Sierra	Deputy chair	Proprietary
Mr Amancio Ortega Gaona	Ordinary member	Proprietary
Ms Marta Ortega Pérez	Ordinary member	Proprietary
Ms Pilar López Álvarez	Ordinary member	Independent
Mr José Luis Durán Schulz	Ordinary member	Independent
Mr Rodrigo Echenique Gordillo	Ordinary member	Independent

% executive directors	14%
% proprietary directors	43%
% independent directors	43%
% affiliate directors	0%

Mr Javier Monteoliva Díaz, General Counsel and Secretary of the Board, acts as Secretary non-member of the Executive Committee.

The structure of the Executive Committee is represented in the image below:



Explain the duties delegated or assigned to this committee, other than those that have already been described in Section C.1.9. and describe the rules and procedures for its organisation and functioning. For each of these functions, briefly describe its most important actions during the year and how it has exercised in practice each of the functions assigned to it by law, in the articles of association or in other corporate resolutions.

a) Membership

Pursuant to section 14.2 of the Board of Directors' Regulations and Recommendation 37 GGC, the Executive Committee is made up of a number of directors being no less than 3 and no greater than 8. At least 2 of the members of the Executive Committee are non-executive directors and at least one of these latter is an independent director.

The CEO will chair the Executive Committee and the Secretary of the Board of Directors, who may be assisted by the Deputy-Secretary, will act as Secretary thereof.

As regards its membership, in 2023 Mr Durán was re-elected to sit on the Executive Committee following his re-election to the board of directors as independent director, resolved at the Annual General Meeting.

In addition, Mr Saracho stepped down from the board, its committees and the Executive Committee. Following his departure and the

resulting downsized board, the vacant seat on the Executive Committee was eliminated.

b) Duties

The Executive Committee holds in delegation all the powers of the board, except for those that cannot be delegated by statute or pursuant to the Articles of Association and those that are necessary for the responsible exercise of the general supervisory function that is incumbent on the board of directors.

Pursuant to article 27 of the Articles of Association, for the permanent delegation of any power of the board of directors to the Executive Committee, it shall be necessary for two-thirds of those making up the board of directors to vote for the motion.

c) Activities

No meeting of the Executive Committee was held in 2023.

AUDIT AND COMPLIANCE COMMITTEE

Article 28 of the Articles of Association and section 15 of the Board of Directors' Regulations, as well as the Audit and Compliance Committee's Regulations set out the regulations governing the Audit and Compliance Committee.

Membership

As regards the Audit and Compliance Committee's membership, in 2023 Mr Durán was re-elected to sit on such committee following his re-election to the board as independent director resolved at the Annual General Meeting.

In addition, Mr Saracho stepped down from the board, its committees and the Executive Committee. Following his departure and the resulting downsized board, the vacant seat on the Audit and Compliance Committee was eliminated.

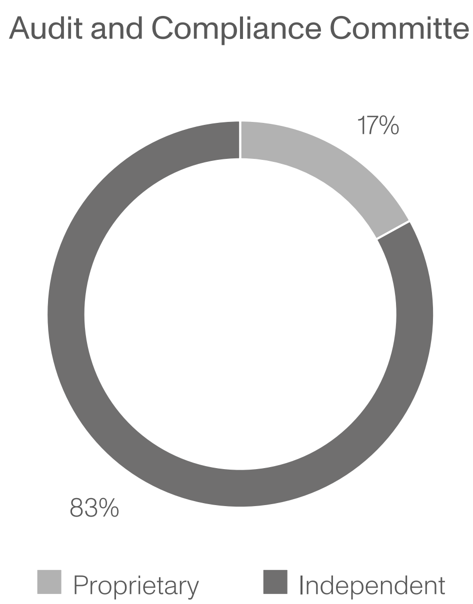
Consequently, the Audit and Compliance Committee's membership as at 31 January 2024 is as follows:

Name	Position	Directorship type
Ms Pilar López Álvarez	Chair	Independent
Bns. Denise Patricia Kingsmill	Ordinary member	Independent
Ms Anne Lange	Ordinary member	Independent
Mr José Arnau Sierra	Ordinary member	Proprietary
Mr José Luis Durán Schulz	Ordinary member	Independent
Mr Rodrigo Echenique Gordillo	Ordinary member	Independent

% executive directors	0 %
% proprietary directors	17 %
% independent directors	83 %
% affiliate directors	0 %

Mr Javier Monteoliva Díaz, General Counsel and Secretary of the Board, acts as Secretary non-member of the Audit and Compliance Committee.

The structure of the Audit and Compliance Committee is represented in the image below:



Pursuant to section 14 of the Audit and Compliance Committee's Regulations, section 15 of the Board of Directors' Regulations and article 28 of the Articles of Association, the Audit and Compliance Committee shall be made up of a minimum of 3 and a maximum of 7 non-executive directors appointed by the board of directors, a majority of whom must necessarily be independent directors.

Members of the Audit and Compliance Committee will be in office for a 4-year term at the end of which they will be eligible for re-election. The Chair of the Audit and Compliance Committee, who needs to be an independent director, will be elected by the Board of Directors for a maximum 4-year term, upon expiry of which they shall be replaced. They may be re-elected one year after the expiry of their term. The board of directors shall appoint a Secretary of the Audit and Compliance Committee, who needs not be a member of said body.

The board of directors shall encourage a diverse committee membership in terms of professional experience, competences, personal skills, sector-specific knowledge, international experience or geographic origin, age and gender, taking into account the restrictions that result from the smaller size of the committee.

All members of the committee and in particular its Chair shall be appointed taking into account their knowledge and experience on accounting, audit, internal control or risks management matters, both financial and non-financial, as well as industry-specific knowledge. Additionally, at least one of them shall be appointed taking into account their knowledge, skills and experience in the matter of information technology.

On the other hand, as part of Inditex's directors' training scheme "ITX Board Academy", in 2023 directors have received training imparted by renowned external advisors on: (i) global trends and risks in the field of Privacy; (ii) geopolitical risks and (iii) significant ESG-related changes – challenges and opportunities – in the current business landscape, most relevant sustainability issues for Inditex and its peers, in particular as regards Climate Transition, and the evolution of expectations on the oversight of sustainability issues by governing bodies.

Explain the duties assigned to this committee and describe the rules and procedures for its organisation and functioning. For each of these duties, briefly describe its most important actions during the year and how it has exercised in practice each of the duties assigned to it by law, in the articles of association or in other corporate resolutions.

a) Duties

The mission and powers of the Audit and Compliance Committee are outlined in article 28 of the Articles of Association, section 15 of the Board of Directors' Regulations and sections 5 to 13 of the Audit and Compliance Committee's Regulations.

In addition to the powers expressly assigned to it pursuant to statute and the Recommendations of the Good Governance Code, the Audit and Compliance Committee shall be expressly entrusted with the following duties:

- Powers relating to Corporate Governance: (i) to review and evaluate the appropriateness of the corporate governance system and to propose to the Board of Directors amendments and updates of the Company's corporate governance regulations; (ii) to oversee the degree of compliance by the Company with generally recognised recommendations on good governance and in particular, with the GGC; (iii) to oversee compliance with the Internal Regulations of Conduct in the Securities Markets, and, in general, with the corporate governance regulations of the Company; (iv) to review recommendations and best practices, both national and international, in the field of corporate governance, and foster compliance with the most stringent standards; (v) to regularly receive information on issues relating to management of treasury stock; and (iv) to prepare and table to the board of directors for approval, the Annual Corporate Governance Report.
- Powers relating to Compliance: (i) to issue reports and oversee compliance with the applicable regulations and the effectiveness of the internal policies and procedures of the Company; (ii) to review recommendations and best practices on Compliance and corporate governance, both domestic and/or international, and to encourage compliance with the most demanding standard; (iii) to oversee compliance with the Annual Compliance Plan and with the Model of Criminal Risk Prevention of the Group; (iv) to ensure that the Compliance Function relies on the necessary resources for the appropriate discharge of its duties; and (v) to receive information, at least every 6 months, on the degree of compliance with the Codes of Conduct and the proceedings of the Ethics Line and the reports received through the relevant channel of any potential breach of the Group Codes of Conduct, of any other internal regulation of the Group and of any potentially relevant irregularities, including of a financial and/or accounting nature, or otherwise relating to the Company.
- Powers relating to tax issues: (i) to receive from the head of tax issues of the Company prior to the statement of the annual accounts and the filing of the Corporate Tax return, information on tax criteria followed by the Company during the financial year, and on the degree of compliance with the Code on Good Tax Practices; and (ii) to apprise the board of directors of the tax policies applied and, in the case of transactions or matters which must be referred to the board of directors for approval, of the tax consequences thereof, when they represent a relevant factor.
- Other powers entrusted to the Committee: (i) to oversee and evaluate in coordination with the Sustainability Committee, where applicable and with regard to issues under its purview, the strategy of communication and relations with shareholders, including small and medium shareholders, investors, proxy advisors and other stakeholders as well as the effective application of the Policy on Disclosure of Economic-Financial, Non-Financial and Corporate Information, and encourage its enhancement; (ii) to oversee and evaluate the process of interaction with the different stakeholders of the company as regards issues under its purview; (iii) to exercise when the Committee so decides all the duties inherent in audit committees from time to time provided in applicable laws, as regards such Group companies that are deemed to be public-interest entities (as defined by applicable regulations) provided that such companies are directly or indirectly wholly-owned by the Company and the administration thereof is not vested in a board of directors; and (iv) to regularly receive from the Cybersecurity Advisory Committee, at least once a year, information on its activities and on the main business transactions, to guide the decision-making process in the event of potential threats, report about critical incidents, security measures, potential risks and control weaknesses and, generally, on the maturity level of the Group's information security system.

- Last, the committee must ensure that risks are kept and managed within the accepted levels of risk tolerance, reassessing at least once a year the most significant financial and non-financial risks and promote a corporate culture wherein risk is a factor considered in decision-making at all levels of the Company and its Group.

b) Organizational and operational rules

The committee shall meet, at least on a quarterly basis, for the purposes of reviewing the periodic financial information to be submitted to the market authorities further to an obligation or of its own accord, as well as the information that the board of directors must approve and include within its annual public documentation. Likewise, it shall meet each time that its Chair calls it. The Chair must call the Audit and Control Committee whenever the board of directors or its Chair would request the issue of a report or the adoption of proposals and, in any case, where this is appropriate for the committee to be effective. The committee shall also meet at the request of at least one third of its members. In such case the meeting shall be called by the Chair to be held within fifteen days of the request.

Likewise, the Chair may arrange other communication channels, working meetings to prepare committee meetings on specific topics apart from the formal meetings of the committee.

Ordinary meetings shall be called by letter, fax, telegram or email, and the meeting notice shall be signed by the Chair or the Secretary. A quorum for committee meetings shall be declared when at least half plus one of its members, present or represented, are in attendance. As provided in section 19 of its terms of reference, the Audit and Compliance Committee may also pass written resolutions in lieu of a meeting.

Committee meetings may be held via videoconference or conference call, or any other equivalent system allowing to recognise and identify attendees, for them to communicate, speak and cast vote, all in real time.

Likewise, for the purposes of making the appropriate arrangements that ensure the achievement of the objectives effectively sought, the committee shall prepare an annual working plan, which shall include, at least, the annual schedule of its ordinary meetings and a tentative agenda of issues under its purview.

In addition, the committee may rely on external advisors to properly carry out its duties. Likewise, the committee may call executive directors, members of Management and any employee of the Company, who shall be bound to attend its meetings and provide it with assistance and access to the information available to them when the committee so requests. The committee may also request the presence at its meetings of the Company's statutory auditor.

The deliberations and the resolutions passed by the committee are recorded in the relevant minutes of the meeting taken by the Secretary thereof.

c) Main activities of the Audit and Compliance Committee in 2023: meetings held, attendance, business transacted and reports

The Audit and Compliance Committee has held seven (7) meetings in 2023, five (5) of which were included in the Schedule of meeting dates and agenda of business to be transacted.

Directors' attendance rate, whether physical or virtual, at the meetings held in 2023 stands at 98%.

In 2023, the Audit and Compliance Committee has held in-person and hybrid meetings (with some directors attending in person and others remotely). Videoconference or conference call systems were used to hold such hybrid meetings.

The duration of committee meetings was changing. Its members have dedicated enough time to the consideration and review of agenda items,

The main proceedings of the Audit and Compliance Committee in the year in furtherance of the responsibilities it has been entrusted with pursuant to article 28 of the Articles of Association and implemented in sections 5 to 13 of the Audit and Compliance Committee's Regulations, are outlined below:

1. Proceedings relating to the supervision of the process to draw up and release the periodic financial information, annual accounts, auditor's report and Statement on Non-Financial Information.

– Preparation and release of financial information

The Audit and Compliance Committee reviews Inditex's economic and financial information before it is approved by the board of directors.

To do so, prior to the stating of the quarterly, half-yearly or annual financial statements, the Audit and Compliance Committee meets with the Company's Management to review, among other things, the enforcement of the accounting principles and the estimates made upon stating the financial statements.

Additionally, the committee, which is entirely made up of non-executive directors, meets with the external auditor for the purposes of reviewing the Company's annual accounts and certain periodic financial information, ensuring compliance with statutory requirements, the appropriate delimitation of the consolidation perimeter and the appropriate use of generally accepted accounting principles upon stating the annual accounts.

The Audit and Compliance Committee reviewed on 13 March 2023 the annual accounts and the directors' report, both consolidated and individual, as well as the auditor's report for FY2022. The Committee verified that an unqualified auditor's report was issued. The board of directors stated the consolidated and individual annual accounts pursuant to the terms indicated by the committee. At that same meeting, in the exercise of the oversight duties inherent in audit committees assumed in respect of Zara España, S.A. ("Zara España"), a wholly-owned subsidiary that meets the requirements to be considered a public-interest entity (PIE), the committee reviewed the results and the Annual Financial Report, comprising the individual annual accounts and directors' report of such company for FY2022.

In accordance with good governance recommendations on transparency, the committee reviewed in the year the interim financial statements for 2023 and the pertaining Results and Press releases at the meetings held on 5 June (1Q), 11 September (1H) and 11 December 2023 (3Q) based upon the CEO and the CFO's reports. Such interim results – and the respective Results Releases and Press Releases – were provided by the board of directors to the market and its supervisory bodies on a quarterly basis pursuant to the Periodic Public Information ("PPI") format.

At the meeting held on 13 March 2023, the external auditor: (i) submitted and explained to the committee the draft auditor's report on the individual annual accounts of the Company and the consolidated annual accounts of the Inditex Group; (ii) provided the additional report that statutory auditors must submit to the committee pursuant to article 11 of Regulation (EU) No 537/2014 of the European Parliament and of the Council, of 16 April 2014 on specific requirements regarding statutory audit of public-interest entities and repealing Commission Decision 2005/909/EC, and pursuant to section 36 of Act 22/2015, of 20 July on Statutory audit; and (iii) reported on the presentation that external auditors would deliver on the following day to the board of directors on the audit opinion and significant issues occurred in 2022.

Last, the committee reviewed on 11 March 2024 the individual and consolidated annual accounts and directors' reports and the auditor's report for FY2023, this latter issued with an unqualified opinion.

– Statement on Non-financial Information

The committee reviewed and gave a favourable report to the draft consolidated Statement on Non-financial Information (SNFI) of the Inditex Group for 2022 at the meeting held on 13 March 2023.

The committee established that the SNFI had been prepared in accordance with the provisions of applicable commercial regulations, following the criteria set forth in Global Reporting Initiative (GRI) standards..

Following best practices on financial reporting, an Integrated Directors' Report was also prepared, covering non-financial and financial information (including corporate governance information)..

The Statement on Non-Financial Information for FY2022 was subject to an independent assurance review by the external auditors. The committee established that the SNFI was issued with an unqualified opinion.

The committee has also overseen in 2023 the process to prepare and release non-financial information and acknowledged the information received on the new regulatory developments with an impact in the field, and the new sustainability reporting standards. At its meeting held on 11 March 2024, the committee reviewed and established that the 2023 Statement on Non-Financial Information, which is part of the consolidated directors' report, has been drawn up in accordance with applicable regulations and standards.

– Report on the Internal Control over Financial Reporting System (ICFR)

The committee oversaw the effectiveness of the Internal Control over Financial Reporting System (ICFR). This is accounted for in section F of the 2022 Annual Corporate Governance Report approved by the board of directors on 14 March 2023. The Company's ICFR has been verified by the statutory auditor, which established that statutory requirements were fulfilled.

2. Powers relating to statutory audit

The relations of the board of directors with the Group's external auditor are channelled through the Audit and Compliance Committee. Without prejudice to the annual meeting between the external auditor and the board of directors (in 2023, on 14 March), the former attends such committee meetings where the Periodic Financial Information which the board of directors approves and discloses on a quarterly basis is reviewed.

In accordance with best practices, the Audit and Compliance Committee meets at least once a year with the external auditor without any member of the management being present. In 2023 it has met with them twice: on 13 March and on 11 September 2023.

The Audit and Compliance Committee, mostly composed of independent directors, raises to the Board of Directors, to be subsequently submitted to shareholders at the Annual General Meeting, the proposals for the appointment and/or re-election of the statutory auditor, being responsible for the selection process, and for the terms of their engagement, the scope of their professional mandate and, where appropriate, their termination or non-renewal. In this regard, in accordance with the provisions of Technical Guide 3/2017, the Audit and Compliance Committee approved at the meeting held on 9 September 2019, the Procedure for the Selection of the Statutory Auditor (amended in 2022 to become a Policy), for the purposes of ensuring an unbiased, fair, transparent, efficient and non-discriminating selection process.

The committee also oversees the enforcement of the audit engagement, evaluates the audit findings and oversees the terms and enforcement of any contracts entered into with the auditors for the performance of non-audit assignments to ensure the auditors' independence.

- Overseeing the effectiveness of the statutory audit and fulfilment of the audit engagement

The audit conducted in 2022 was reviewed by the Audit and Compliance Committee at the meeting held on 13 March 2023, which was attended by the external auditors duly called by the committee's chair to that end.

External auditors audited the consolidated financial statements of the Group as at 31 January 2023 and the individual financial statements of Inditex also as at 31 January 2023. Likewise, the information about Zara España's standalone financial statements was included separately in the audit scope. Unqualified audit reports were issued.

Pursuant to section 36 of the Statutory Audit Act, the auditors addressed at the meeting held on 13 March 2023 the relevant additional reports that they must submit to the committee.

External auditors reported at the meetings held on 5 June and 11 December 2023 on the results of the review of consolidated financial statements for 1Q2023 and 3Q2023, respectively. They were also in attendance at the meeting held by the Audit and Compliance Committee on 11 September 2023 to (i) account for the results of the limited review of consolidated condensed interim financial statements of Industria de Diseño Textil, S.A. and subsidiaries, and (ii) present their work plan for the statutory audit of the Company, the Group and Zara España for 2023.

They were also in attendance at the meetings held on 3 May and 11 December 2023 to address the results of the diagnosis of cybersecurity-related risks and cybersecurity maturity assessment.

Last, at the meeting held on 11 March 2024, the statutory auditors presented their opinion on the consolidated and individual financial statements of Inditex and Zara España for 2023 and the pertaining auditor's reports

- Verifying the statutory auditor's independence

Pursuant to the provisions of the Policy on statutory auditor contracting for the provision of non-audit services originally approved by the Committee on 18 July 2016 as a Procedure and amended in part on 15 March 2022, the Audit and Compliance Committee evaluated and approved at the meetings held on 13 February, 3 May, 5 June, 11 September and 11 December 2023 the engagement by the Company, Group companies and Zara España (where appropriate), of non-audit services from external auditors. It further verified that they met the independence requirements established.

The external auditor also reported to the committee that no circumstances were found that might entail incompatibilities in the field of independence, pursuant to applicable regulations.

On the other hand, after receiving a written confirmation from the statutory auditor of its independence vis-à-vis Inditex and any parties related to Inditex in 2022, the committee approved on 13 March 2023 the report on the external auditor's independence from the Company and from Zara España. Such report covered issues such as rotation and other likely incompatibilities, non-audit services, and fees, transparency and concentration risks. According to the report, no evidence was found which may cast doubt on the auditor's independence and objectivity as statutory auditor of the Group and its subsidiaries and of Zara España.

Pursuant to Recommendation 6 GGC, the report on the independence of the external auditor from the Company was made available to the shareholders on the corporate website at the time the notice of the Annual General Meeting was posted.

On 11 March 2024, the Audit and Compliance Committee reviewed the individual and consolidated annual accounts and directors' reports of the above mentioned companies, as well as the Auditor's Report for 2023. The committee has established that a clean report was issued.

3. Proceedings relating to the Internal Audit Function

The Internal Audit Department, ensures, under the supervision of the Audit and Compliance Committee the smooth running of the information and internal control systems. Internal Audit is a corporate function that reports to the non-executive Chair but has functional reporting line to the Chair of the Audit and Compliance Committee.

The Chief Audit Officer (CAO), being ultimately responsible for the Internal Audit function, regularly apprises the Audit and Compliance Committee of the Internal Audit annual work Plan, including potential changes and deviations, incidents and scope limitations occurred upon implementing such Plan, as well as of the assignments carried out in the different audit areas. The Audit and Compliance Committee oversees the Internal Audit Department and approves its budget, the Internal Audit Plan, the annual activities report and the assets of the Department to carry out its tasks as well as the contents of its proceedings.

In 2023, the CAO attended five (5) meetings of the Audit and Compliance Committee and actively participated in the same.

A number of issues that fall under its purview were addressed at such meetings. The committee oversaw the work plan of the Internal Audit Department (report on the progress of the projects and review of the follow-up on the most critical recommendations in the field of operations, financial, compliance and systems currently in progress). In particular:

- At the meeting held on 13 March 2023 the committee: (i) acknowledged the Internal Audit Annual Activities Report for 2022 and the assignments carried out by the Internal Audit Department in 4Q2022; (ii) approved the 2023 Internal Audit Plan and budget, in accordance with Recommendations 41 and 42 GGC, and (iii) gave a favourable report to the external audit fees for 2022 and the budget for 2023.

- At the meetings held on 5 June, 11 September and 11 December 2023, the committee acknowledged the assignments carried out by Internal Audit in 1Q2023, 2Q2023 and 3Q2023, respectively. It acknowledged the scope, strategic lines and main goals of the 2023-2025 Internal Audit Strategic Plan focused on the Group's critical and significant risks at the meeting held on 5 June 2023.

- At the meeting held on 11 September, the committee: (i) resolved to update the 2023 Internal Audit Plan to align it with the review regularly carried out as a result of the follow-up on the progress of business, operations and new risks in relevant areas; and (ii) acknowledged the degree of implementation of Internal Audit recommendations.

Last, in the annual evaluation of the performance of the board, its committees and key positions for 2023, carried out by an external facilitator, the duties and responsibilities undertaken by the CAO and the Internal Audit function as a whole were also assessed. The questionnaire sent to directors included issues such as level of dialogue, strategic positioning or team recognition and their performance in the year. Both the CAO and the IA function received a high score in such evaluation.

4. Powers relating to Compliance

- Oversight of the Compliance function

The Chief Compliance Officer regularly advises the Audit and Compliance Committee on the enforcement of the Codes of Conduct; the outcome of the supervision of the Model on Criminal Risk Prevention of the Inditex Group and the proceedings to implement the Compliance Model.

At the meeting held on 13 March 2023, the committee approved the 2023 Compliance budget and the Annual Compliance Work Plan.

Likewise, at the meetings held on 13 March and 11 September 2023, it acknowledged the 2022 Annual Compliance Report and the half-yearly Compliance Report for 2023 first half, respectively. The committee further acknowledged the main projects and initiatives carried out by the Compliance function at the meeting held on 11 December 2023.

Last, at the meeting held on 11 March 2024, the Chief Compliance Officer reported on the results of the proceedings to implement and oversee the Global Compliance Model carried out in the reporting period.

- Oversight of the Model of Criminal Risk Prevention and the Ethics Line proceedings: review of the reports issued by the Ethics Committee

The committee acknowledged the Report on the Model of Criminal Risk Prevention for 2022 and for 1H2023 at its meeting held on 13 March and 11 September 2023, respectively. Both reports address the results of the oversight of the Model of Criminal Risk Prevention of the Group, the design and implementation of the new Global Compliance Model, and the proceedings carried out to disclose and disseminate Compliance works, the acceptance of the Code of Conduct and the training in the field.

The committee reviewed and approved at its meeting held on 13 March 2023 the Annual Report of the Ethics Committee covering the main proceedings of such committee regarding the Ethics Line in 2022, and the Half-yearly Report of the Ethics Committee for 1H2023 at its meeting of 11 September 2023. Both reports review the enforcement of the Codes of Conduct, outlining the cases handled by the Ethics Committee, the action taken and the resolutions issued. The committee also acknowledged the follow-up on the evolution of the cases handled and the concerns received via the Ethics Line at the meetings held on 5 June and 11 December 2023.

At the meeting held on 3 May 2023 the committee gave a favourable report to the implementation of the statutory requirements arising from the transposition into the national laws of the different member states of the European Union, in particular to the Spanish Law, of Directive (EU) 2019/1937 on the protection of persons who report breaches of the European law. In particular, the committee gave a favourable report to the implementation of the Internal Reporting System of the Inditex Group and the appointment of the Ethics Committee as the Person in Charge thereof, all of which was approved at the board meeting held on that same day.

- Internal regulations

At the meeting held on 3 May 2023, the committee gave a favourable report to the new Policy on the Internal Reporting Channels of the Inditex Group and the proposal on the amendment to the Ethics Line Procedure and the Regulations of the Ethics Committee. Such sets of rules were approved at the board meeting held on that same day.

On 7 November 2023, the committee gave a favourable report to the new Global Anti-harassment Policy (formerly known as the "Global Sexual Harassment and Sex or Gender identity-based Harassment at the Workplace Prevention Policy"). The Policy was updated to extend its scope to prevent any manner of harassment and outline in line with the new Internal Reporting Channels of the Group, the process to manage and handle reports of harassment and the warranties for reporters. The Policy was approved by the board of directors on 7 November 2023.

5. Proceedings in the field of oversight and evaluation of the Enterprise Risk Management Function

The Audit and Compliance Committee is responsible for verifying the level of risk tolerance and its limits, reviewing them at least once a year and receiving periodic reports on the degree of compliance with the Enterprise Risk Management Policy which will be subsequently raised to the board of directors. In this regard, the committee has taken the following action:

- Risk Map

At the meeting held on 11 December 2023, the Head of the ERM Department apprised the committee of the main risks affecting business development and the control measures established to manage and monitor such risks. The committee gave a favourable report to the 2023 Risk Map update. which was approved by the board of directors on 12 December 2023.

- Assessment of other risks

Pursuant to sections 5.3 (i) of the Audit and Compliance Committee's Regulations, and the provisions of the Enterprise Risk Management Policy, the evaluation of any question regarding "*financial and non-financial risks (including operational, technological, legal, social, environmental, political and reputational risks or those related to corruption*)" is part of the Committee's duty to oversee the effectiveness of risk control systems.

Likewise, pursuant to section 9(h) of the above-mentioned set of rules, the Audit and Compliance Committee may "*Meet with the heads of business units at least once a year, and whenever the Committee deems it appropriate, for the purposes of reporting to the Committee on trends of business and risks associated with the respective areas under their purview.*"

The committee has encouraged attendance of company's officers, managers and heads of control areas at its meetings, to keep abreast of the operation of the risk management systems established and the findings reached. In particular, with regard to:

/ Financial risks:

At the meeting held on 11 December 2023, the Head of the ERM Department and the Head of Financial Risk Management reported on the main financial risks of the Group, together with the CFO.

/ Regulatory risk:

At the meeting held on 3 May, the Head of the Corporate Development Department and the Head of the Public Policy area apprised the committee of the scope of the regulatory risk as a result of the increasing regulations in the retail sector.

/ Report of the Data Protection Officer (DPO):

The committee acknowledged on 11 September 2023 the DPO's report covering: (i) the most relevant initiatives of the area in the year aimed at mitigating the main cybersecurity risks and (ii) the current strategy and main action lines in progress.

/ Other risks:

The Head of the ERM Department attended the meetings held on 13 February and 11 September to report on the macroeconomic environment and the geopolitical risk on several markets where the Group operates.

- Information Security

The CISO apprises the committee at least every six months of the action taken by the company to mitigate cyber risks. At the meetings held on 13 March and 11 December 2023 the following issues were broached: (i) the main events of interest noted by the Information Security Committee in 2H2022 and 1H2023,respectively, and the review of the main existing threats; (ii) the most relevant projects and initiatives of the Information Security Department.

Likewise, at the meetings held on 13 March and 11 December 2023, with the external auditors in attendance, the committee was apprised of the results of the assessment of the cybersecurity maturity level and the cyber incident response of the Group.

As part of its oversight duties in the field of information security, the Audit and Compliance Committee gave a favourable report to the annual Information Security Plan for 2023 and its budget.

As part of the shoring-up action of the information security governance structure, which began in 2022 with the reorganization of the Department (including the CISO's administrative reporting to the CEO and the approval of the CISO's Charter) to ensure its objectivity and independence, at the meeting held on 7 November 2023 the committee gave a favourable report to the proposal on the formation of the new Cybersecurity Committee, a permanent advisory and consulting internal body without executive duties, mainly tasked with providing strategic and independent advice in the field of information security, in particular cybersecurity, to the relevant governing bodies, specifically the Audit and Compliance Committee. The board approved the formation of the Cybersecurity Advisory Committee at its meeting held on that same day,

6. Proceedings relating to Corporate Governance

The most relevant proceedings of the committee in 2023 regarding observance of statutory and good governance requirements have been:

- Annual Corporate Governance Report (ACGR)

At the meeting held on 13 March 2023, the Audit and Compliance Committee reviewed and gave a favourable report to the draft 2022 Annual Corporate Governance Report filed in free format, in accordance with CNMV's Circular 5/2013. The ACGR was approved by the board of directors at the meeting held on 14 March 2023, and subsequently disclosed to CNMV as Oher Relevant Information. The ACGR is available on CNMV's website and on the corporate website (www.inditex.com)..

On 11 March 2024, the committee gave a favourable report to the 2023 Annual Corporate Governance Report and raised it to the board of directors for approval.

- Review of the reports of the Market Transparency Committee

The Audit and Compliance Committee reviewed on 13 March and 11 September 2023 the half-yearly reports issued by the General Counsel's Office and approved by the Market Transparency Committee covering: (i) the meetings held by such committee in the reporting period; (ii) control of incidents involving transactions in Inditex shares detected and incidents relating to the enforcement of the IRC; (iii) the summary of "Inside Information" and "Other Relevant Information" disclosed to CNMV; (iv) the black-out periods and the communication of the expiry of the period in which persons subject to the IRC are entitled to carry out personal transactions in Inditex shares; (v) the action taken to share among the parties concerned the obligations arising from the IRC ensuring its enforcement; and (vi) the update of the list of persons subject to the IRC.

Last, at the meeting held on 11 March 2024, the Audit and Compliance Committee reviewed the report on the proceedings carried out in 2H2023, drawn up by the General Counsel's Office and approved by the Market Transparency Committee. in addition to issues broached in previous half-yearly reports, this report included a review of related party transactions carried out in 2023, given the powers delegated by the board of directors to the Market Transparency Committee in this area, pursuant to the provisions of section 529*duovicies* LSC

- Amendment to internal regulations on corporate governance

At the meeting held on 5 June 2023, the committee gave a favourable report to the proposal for a draft of the revised text of the Board of Directors' Regulations and approved its memorandum in support. The proposed amendment to the Board of Directors' Regulations sought: (i) to align its language with the reorganization and changes to some internal bodies and reflect the formation of a new Cybersecurity Advisory Committee; and (ii) to reinforce the commitment to a diverse board membership and remove any discriminatory bias (such as, the current age limit to be a company director at Inditex.

At that same meeting, the committee resolved to give a favourable report to the proposal for a draft of the revised text of the Audit and Compliance Committee's Regulations and approved its memorandum in support. The proposed amendments can be classified as follows: (i) a first group seeks to cover the formation of the Cybersecurity Advisory Committee, (ii) a second group of amendments seeks to align the language of these terms of reference with the new wording of the IRC regarding the current name of the Market Transparency Committee, and the assumption of duties by the General Counsel's Office, now responsible for overseeing compliance with the IRC.

Both sets of rules, as amended, were approved by the board of directors at the meeting held on 6 June 2023.

Last, on 7 November 2023, the committee gave a favourable report to the draft of the new Regulations of the Cybersecurity Advisory Committee, which outlines its organization, proceedings and competences. It was approved at the board meeting held on that same day

- Evaluation of the appropriateness of the corporate governance system

At the meeting held on 13 February 2023, the Audit and Compliance Committee has appreciated that the Company's corporate governance system in 2022 was appropriate, as it considers that it is fully compliant with the regulatory requirements laid down in applicable regulations and with GGC recommendations.

The committee established that the information posted on the company's website is updated and aligned with the information disclosed by the company to CNMV and posted on its website.

With regard to the review of the governance system, in 2023 the committee has been assisted by an independent external consultant, Deloitte Abogados, S.L. which has followed the indicators comprising the Good Corporate Governance Index ("IBGC") of the Asociación Española de Normalización y Certificación [*Spanish Association for Standardization and Certification*] ("AENOR"), version 2.0. IBGC measures good governance compliance based upon 7 variables (composition of the board of directors; functioning and competencies of the board of directors; board committees; directors' compensation; AGM; transparency and other good governance aspects and Compliance) and 34 indicators that include 165 assessment criteria.

- Corporate transactions

At the meeting held on 11 September 2023, the committee acknowledged and gave a favourable report to the terms and conditions of the sale of the entire stake in the Group's subsidiaries in Argentina and Uruguay and their automatic conversion into franchisee companies upon completion of the sale.

- Related party transactions

At the meeting held on 13 March 2023, the Audit and Compliance Committee issued and approved the report on related party transactions carried out by the Inditex Group throughout 2022 .In accordance with Recommendation 6 GGC, such report was made available to shareholders on the corporate website together with the notice of the AGM.

At its meetings held on 3 May, 11 September and 11 December 2023, the committee gave a favourable report to the related party transactions carried out by the Group in 2023. Further to their assessment based upon the reports issued by the committee, such related party transactions were approved by the board of directors.

Last, at the meeting held on 11 March 2024, the committee has issued the report on the related party transactions carried out by the Inditex Group in 2023.

- Report on treasury stock

The Audit and Compliance Committee acknowledged at the meeting held on 13 March 2023 the report on the Group's treasury stock.

- Schedule of meeting dates and agenda of business to be transacted

Pursuant to recommendations of CNMV's Technical Guide 3/2017, the Audit and Compliance Committee approved on 11 December 2023 the schedule of meeting dates and agenda of business to be addressed by the Committee in 2024.

On that same day, pursuant to Recommendation 33 GGC, the committee gave a favourable report to the schedule of meeting dates and the agenda of business to be transacted by the board of directors throughout 2024.

- Report on its proceedings and evaluation report

The committee issued on 5 June 2023 the annual report on its proceedings carried out in 2022. Such report is available on the corporate website (www.inditex.com). It also issued the report on the evaluation of its performance on 11 December 2023.

7. Other actions

- Report on Tax Policies and Follow-up on the Code of Good Tax Practices

In 2017, the board of directors approved the adherence of Inditex and all its subsidiaries to the Code of Good Tax Practices.

Pursuant to the Company's Tax Policy, the committee acknowledged at the meetings held on 13 March 2023 and 11 March 2024 the tax policies followed in 2022 and 2023 respectively, the follow-up on the Strategy, the review of the tax measures and regulations adopted by the European and the Spanish regulator and their impact on the Group, and sundry tax transparency issues in the reporting period

- Assumption of functions of audit committee at Zara España, S.A.

As described above in the relevant sections, the Audit and Compliance Committee carried out duties inherent in the audit committee of Zara España, S.A. in 2023.

- Powers relating to the oversight of the strategy on communication and relationship with shareholders and investors, proxy advisors and other stakeholders

In addition to the CEO's report presented at board meetings on a quarterly basis, members of the committee regularly receive reports from the Capital Markets Department on the roadshows, webinars and/or calls with investors and analysts, covering market's reaction to quarterly results.

Identify the directors who are members of the audit committee and have been appointed taking into account their knowledge and experience in accounting or audit matters, or both, and state the date on which the Chairperson of this committee was appointed.

Names of directors with experience	Ms Pilar López Álvarez, Bns Denise Patricia Kingsmill, Ms Anne Lange, Mr José Arnau Sierra, Mr José Luis Durán Schulz and Mr Rodrigo Echenique Gordillo.
Date of appointment of the chairperson	14/07/2020

NOMINATION COMMITTEE

Article 29 of the Articles of Association, section 16 of the Board of Directors' Regulations and the Nomination Committee's Regulations set out the regulations governing the Nomination Committee.

Membership

As regards the Nomination Committee's membership, in 2023 Mr Durán was re-elected as member and Chair of the Nomination Committee following his re-election to the board as independent director resolved at the Annual General Meeting.

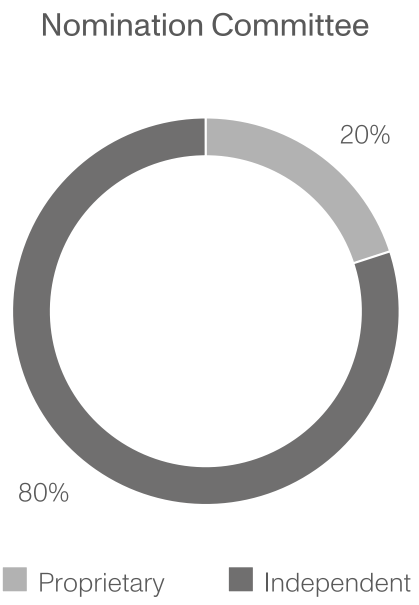
Consequently, the Nomination Committee's membership as at 31 January 2024 is as follows:

Name	Position	Directorship type
Mr José Luis Durán Schulz	Chair	Independent
Ms Anne Lange	Ordinary member	Independent
Ms Pilar López Álvarez	Ordinary member	Independent
Mr José Arnau Sierra	Ordinary member	Proprietary
Mr Rodrigo Echenique Gordillo	Ordinary member	Independent

% executive directors	0 %
% proprietary directors	20 %
% independent directors	80 %
% affiliate directors	0 %

Mr Javier Monteoliva Díaz, General Counsel and Secretary of the Board, acts as Secretary-non-member of the Nomination Committee.

The structure of the Nomination Committee is represented in the image below:



Pursuant to the provisions of article 29 of the Articles of Association and section 10 of its own terms of reference, the Nomination Committee shall be comprised of a minimum of 3 and a maximum of 7 non-executive directors appointed by the board of directors, a majority of whom must necessarily be independent. The Chair of the Nomination Committee shall be appointed by the board of directors from amongst the independent members of the committee.

Its members shall be elected for a 4-year term at the end of which they may be eligible for re-election.

The board of directors shall encourage a diverse committee membership in terms of professional experience, competences, personal skills, sector-specific knowledge, international experience or geographic origin, age and gender, taking into account the restrictions that result from the smaller size of the committee.

Members of the Nomination Committee shall be elected as a whole and in particular its Chair, considering the appropriate knowledge, qualifications and experience to discharge the duties they are called upon to perform, including on corporate governance issues, analysis and strategic assessment of human resources, selection of directors and senior executives and the assessment of the suitability requirements legally provided for the discharge of senior executive functions. .

Explain the duties assigned to this committee and describe the rules and procedures for its organisation and functioning. For each of these functions, briefly describe its most significant actions during the year and how it has exercised in practice each of the functions assigned to it by law, in the articles of association or in other corporate resolutions.

a) Duties

The mission and powers of the Nomination Committee are provided in article 29.3 of the Articles of Association, section 16 of the Board of Directors' Regulations, and sections 5 to 9 of the Nomination Committee's Regulations.

In addition to the powers expressly assigned to it pursuant to statute and the Recommendations of the Code of Good Governance, the Nomination Committee is entrusted with the following duties:

- With regard to directors' selection: (i) to issue a report on the Diversity of Board of Directors Membership and Director Selection Policy; (ii) to set up and review the criteria that must be adhered to regarding an appropriate and diverse board membership and the selection of prospective candidates; (iii) to ensure that, upon filling new vacancies or upon appointing new directors, selection procedures shall encourage diversity and ensure the absence of any bias as well as follow merit-based approach; and (iv) to be regularly apprised of the succession and career plans of senior managers.
- With regard to the annual evaluation process: (i) to establish and oversee an annual programme to evaluate the performance of the board of directors, its members and its committees, the Chair, the CEO, the Secretary and the Lead Independent Director; (ii) to report on an annual basis to the board of directors on the performance of the board, its members and committees; (iii) to propose an action plan or recommendations to remedy potential weaknesses detected or to enhance the effectiveness of the board and its committees; and (iv) to assess the convenience of discussing with directors the findings of their individual evaluations and, if appropriate, the action to be taken to improve their performance. .

  Additionally, the committee may gather information about the evaluation of senior managers.
- Other powers entrusted to the committee: to design and periodically organise the induction and refresher programmes for directors.

b) Organisational and operational rules.

The Nomination Committee shall meet at least 3 times a year and whenever its Chair calls it. The Chair shall call a committee meeting each time the Board of Directors or its Chair requests the issue of a report or the adoption of proposals and in any case whenever it is appropriate for its effective performance.

Likewise, the Chair may arrange working sessions to prepare committee meetings on specific topics apart from the formal meetings of the committee.

Ordinary meetings shall be called by letter, fax, telegram or email, and the meeting notice shall be signed by the Chair or the Secretary. A quorum for committee meetings shall be declared when at least half plus one of its members attend, in person or by proxy., As provided in section 15 of its terms of reference, the Nomination Committee may also pass written resolutions in lieu of a meeting.

Committee meetings may be held via videoconference or conference call, or any other equivalent system enabling the recognition and identification of attendees, allowing them to communicate, speak and cast votes, all in real time.

Likewise, for the purposes of making the appropriate arrangements that ensure the achievement of the objectives effectively sought, the committee prepares an annual working plan that shall include at least the annual schedule of its ordinary meetings and a tentative agenda of issues under its purview.

The committee may rely on external advisors to duly perform the duties it has been entrusted with. The committee may also call executive directors, members of Management and any employee of the Company, who shall be bound to attend its meetings and provide it with assistance and access to the information available to them upon the committee's request.

The deliberations and the resolutions passed by the committee are recorded in the relevant minutes of the meeting taken by the Secretary thereof.

c) Main activities of the Nomination Committee in 2023: meetings held, attendance, business transacted and reports:

The Nomination Committee has held six (6) meetings in 2023, four (4) of which were included in the Schedule of meeting dates and agenda of business to be t.

Directors' attendance rate whether physical or virtual, at the meetings held in 2023 stands at 90%.

In 2023, the Nomination Committee has held in-person and hybrid meetings (with some directors attending in person and others remotely). Videoconference or conference call systems were used to hold such hybrid meetings.

The duration of committee meetings was changing. Its members have dedicated enough time to the consideration and review of agenda items.

In 2023, the primary activities of the Nomination Committee have revolved around the following areas:

1. Proceedings relating to appointment and removal of officers

Directors

The committee reviewed and considered at its meetings held on 13 February and 3 May 2023 the best alternatives to address the board vacancy that would be created following the imminent departure from the board of former director Mr Emilio Saracho Rodríguez de Torres at the Annual General Meeting held on 11 July 2023. Such review covered, inter alia, the evaluation of quantitative and qualitative aspects relating to the board size and membership, considering the Board Skills Matrix and the results of the 2022 evaluation.

Contemporaneously, a headhunting process was launched to define the qualities sought and search for prospective candidates to fill the board seat as independent director, with the support of an independent advisor. The process was led by the Chair who kept the committee updated on its progress.

As a result of such review, the Nomination Committee issued the report on board needs at the meeting held on 5 June 2023. Such report covered the following proposals: (i) the elimination of the board seat and the subsequent reduction in the number of board members, (ii) the proposal on the re-election of Mr Amancio Ortega Gaona and Mr José Luis Durán Schulz to the board as proprietary and independent director, respectively, and (iii) the update of the Board Skills Matrix. The report also assessed whether the professional profiles of the directors eligible for re-election were appropriate in view of the Company's description, its business and its international dimension, and their directorship type.

The findings of the committee's report were ratified by the board of directors in its explanatory report dated 6 June 2023 which also addressed the quality of the work and the dedication to the position of the two directors whose re-election was proposed.

The report on board needs and the explanatory report issued by the board of directors were made available to shareholders on the corporate website at the time the notice calling the Annual General Meeting was posted, together with the updated Board Skills Matrix.

The proposals on the downsizing of the board of directors, setting the number of directors at ten (10) and on the re-election of the above-mentioned directors were approved at the Annual General Meeting held on 11 July 2023.

Senior managers and other officers

The Nomination Committee is responsible for setting and reviewing the yardsticks that must be used to ensure an appropriate membership on Inditex's governing bodies. It further plays an active role in selection processes for prospective candidates.

At the meeting held on 7 November, the committee gave a favourable report to the appointment of the members to the new Cybersecurity Advisory Committee, on the motion of the Chief Information Security Officer ("CISO") to ensure the existence of an appropriate balance of competences and experiences on such committee as a whole for the effective performance of its advisory duties. Such proposal was approved at the board meeting held on that same day.

2. Proceedings relating to the process to evaluate the performance of the board of directors, its members and committees, the Executive Chairman, the CEO, the Lead Independent Director and the Secretary of the board.

The committee approved on 13 February 2023 the action plan resulting from the annual evaluation of the performance of the board of directors, its members and committees, the Chair, the CEO, the Lead Independent Director, the Secretary of the board and committees' chairs, carried out in 2022.

In 2023, the Nomination Committee resolved to engage an external facilitator, KPMG, whose independence was established by the committee, to carry out the full self-assessment process.

On 11 December 2023, the committee reviewed the results of the self-assessment of performance carried out by the external advisor. The overall assessment has been very good as directors consider that the board and its committees are very well run and effective, as are their respective chairs, and that the Chair of the board, the CEO, the LID and the Secretary are very capable.

Based on the results of the evaluation and considering the issues identified as areas of improvement, the committee approved an action plan at the meeting held on 11 December 2023, to be followed-up throughout 2024. The committee apprised the board on the results of the evaluation and the action plan at the meeting held on 12 December 2023.

More detailed information about the scope and findings of the evaluation process can be found in section C.1.17 above.

3. Ascertaining compliance with the Diversity of Board of Directors Membership and Director Selection Policy

The committee established at the meeting held on 6 February 2024 compliance with the Diversity of Board Membership and Director Selection Policy as regards the process to re-elect, ratify and appoint directors carried out in 2023 (the findings of the report to ascertain compliance with the Policy are outlined in section C.1.7 above).

4. Review of key positions

In 2023, the committee has followed up on the review of key positions in the Company and the identification of suitable candidates to fill them.

5. Schedule of meeting dates and agenda of business to be transacted:

Pursuant to recommendations of CNMV's Technical Guide 1/2019, the Nomination Committee approved, at the meeting held on 11 December 2023, the schedule of meeting dates and the agenda of business to be transacted by the committee in 2024.

6. Report on its proceedings and evaluation report

The Nomination Committee issued on 5 June 2023 the annual report on the proceedings carried out in 2022. Such report is available on the corporate website. Likewise, the committee issued the report on the evaluation of its performance on 11 December 2023.

REMUNERATION COMMITTEE

Article 30 of the Articles of Association, section 17 of the Board of Directors' Regulations and the Remuneration Committee's Regulations set out the regulations governing the Remuneration Committee.

Membership

As regards the Remuneration Committee's membership, in 2023 Mr Durán was re-elected to sit on such committee following his re-election to the board as independent director resolved at the Annual General Meeting.

In addition, Mr Saracho stepped down from the board, its committees and the Executive Committee. Following his departure and the resulting downsized board, the vacant seat on the Remuneration Committee was eliminated.

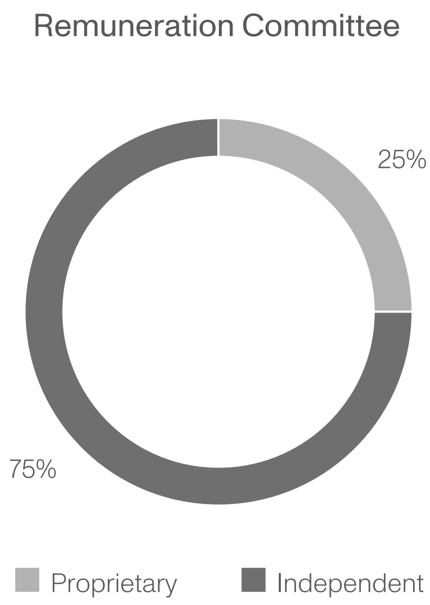
Consequently, the Remuneration Committee's membership as at 31 January 2024 is as follows:

Name	Position	Directorship type
Mr Rodrigo Echenique Gordillo	Chair	Independent
Bns Denise Patricia Kingsmill	Ordinary member	Independent
Mr José Arnau Sierra	Ordinary member	Proprietary
Mr José Luis Durán Schulz	Ordinary member	Independent

% executive directors	0 %
% proprietary directors	25 %
% independent directors	75 %
% affiliate directors	20 %

Mr Javier Monteoliva Díaz, General Counsel and Secretary of the Board, acts as Secretary-non-member of the Remuneration Committee.

The structure of the Remuneration Committee is addressed in the sections below.



Pursuant to article 30 of the Articles of Association and section 7 of its own terms of reference, the Remuneration Committee shall be made up of a minimum of 3 and a maximum of 7 non-executive directors appointed by the board of directors, a majority of whom shall be independent. The Chair of the Remuneration Committee shall be appointed by the board of directors out of the independent members of the committee.

Members of the Remuneration Committee shall be elected for a 4-year term at the end of which they will be eligible for re-election.

The board of directors shall encourage a diverse committee membership in terms of professional experience, competences, personal skills, sector-specific knowledge, international experience or geographic origin, age and gender, taking into account the restrictions that are a result of the smaller size of the Committee.

Members of this committee and in particular its Chair shall be appointed considering the appropriate knowledge, qualifications and expertise based upon the duties they must discharge, including among others, the analysis and strategic assessment of human resources and the design of remuneration policies and schemes for directors and senior managers.

Explain the duties assigned to this committee and describe the rules and procedures for its organisation and functioning. For each of these functions, briefly describe its most significant actions during the year and how it has exercised in practice each of the functions assigned to it by law, in the articles of association or in other corporate resolutions.

a) Duties

The mission and powers of the Remuneration Committee are addressed in article 30 of the Articles of Association, section 17 of the Board of Directors' Regulations and sections 5 and 6 of the Remuneration Committee's Regulations.

The Remuneration Committee has not been assigned any powers other than those expressly entrusted by statute, and the Recommendations set forth in the Good Governance Code.

b)Organizational and operational rules

The Remuneration Committee shall meet at least 3 times a year and whenever called by the Chair. The Chair must call the Remuneration Committee whenever the board of directors or its Chair may request the issue of a report or the approval of proposals and, in any case, whenever it is appropriate for its effective performance.

Likewise, the Chair may arrange working sessions to prepare committee meetings on specific topics apart from the formal meetings of the committee.

Ordinary meetings shall be called by letter, fax, telegram or email, and the meeting notice shall be signed by the Chair or the Secretary. A quorum for committee meetings shall be declared when at least half plus one of its members attend in person or by proxy. As provided in section 12.2 of its terms of reference, the Remuneration Committee may also pass written resolutions in lieu of a meeting.

Committee meetings may be held via videoconference or conference call, or any other equivalent system enabling the recognition and identification of attendees, allowing them to communicate, speak and cast votes, all in real time.

Likewise, for the purposes of making the appropriate arrangements to ensure that the objectives pursued are effectively achieved, the committee prepare san annual working plan, which shall include at least an annual schedule of ordinary meetings and a tentative agenda of issues under its purview .

The committee may rely on external advisors to duly perform the duties it has been entrusted with. The committee may request the presence of executive directors, members of Management and any employee of the Company, who shall be bound to attend its meetings and provide it with assistance and access to the information available to them upon the committee's request.

The deliberations and the resolutions passed by the committee are recorded in the relevant minutes of the meeting taken by the Secretary thereof.

c) Main activities of the Remuneration Committee in 2023: meetings held, attendance, business transacted and reports

The Remuneration Committee has held four (4) meetings in 2023, three (3) of which were included in the Schedule of meeting dates and agenda of business to be transacted.

Directors' attendance rate, whether physical or virtual, at the meetings held in 2023 stands at 94%.

In 2023, the Remuneration Committee has held in-person and hybrid meetings (with some directors attending in person and others remotely). Videoconference or conference call systems were used to hold such meetings.

The duration of committee meetings was changing. Its members have dedicated enough time to the consideration and review of agenda items.

In 2023 the most relevant proceedings of the Remuneration Committee have revolved around the following areas:

1. Remuneration of executive directors and Senior Managers

<u>With regard to the CEO:</u>

The Remuneration Committee resolved at the meeting held on 13 March 2023 to submit the following proposals to the board of directors:

- The assessment of the level of achievement of the targets set for the CEO's variable remuneration in FY2022 (approved in 2021) and the proposal on the aggregate remuneration payable to the CEO for that year;
- The proposal on the items and yardsticks for the CEO's remuneration in 2023 for the performance of his functions and responsibilities as chief executive.

The Board of Directors approved at its meeting held on 14 March 2023 the level of target achievement and the relevant incentive payment, as well as the overall remuneration payable to the CEO in 2022 and the proposal regarding Mr García's remuneration in 2023.

On the other hand, at the meeting held on 11 March 2024 – date when this report has been issued – the Remuneration Committee has given a favourable report to the proposal on the overall remuneration payable to the CEO in 2023, pursuant to the terms of the 2023 Annual Report on Remuneration of Directors

<u>With regard to Senior Managers:</u>

At the year-end meeting held on 13 March 2023, the committee gave a favourable report to the proposal on the overall remuneration payable to Senior Managers in 2022 and the yardsticks to determine the remuneration for FY2023, and submitted them to the board of directors.

<u>With regard to members of certain internal bodies</u>

The Remuneration Committee raised at the meeting held on 7 November 2023 the proposal for the remuneration of the members of the newly formed Cybersecurity Advisory Committee (CAC), taking into account, inter alia: (i) CAC 's membership, in particular, the expertise and qualifications of its members, (ii) the level of dedication required, (iii) market practice among comparable companies on the Ibex 35. Such remuneration was approved by the board of directors at the meeting held on that same day.

2. Powers relating to the Directors' Remuneration Policy

At the meeting held on 5 June 2023, the committee gave a favourable report to the draft new Directors' Remuneration Policy for FY2024, FY2025 and FY2026 following the relevant explanatory report subsequently ratified by the board of directors at its meeting held on 6 June 2023.

Such Policy was approved at a say-on-pay vote at the Annual General Meeting held on 11 July 2023.

3. Powers relating to the long-term variable remuneration

<u>2019-2023 Long-term Incentive Plan (LTIP):</u>

The committee assessed at the meeting held on 13 March 2023 the level of achievement of targets set for the second cycle (2020-2023) of the 2019-2023 Plan to which the long-term variable remuneration of the CEO and Senior Managers for FY2022 was tied, and the associated payout level. Likewise, the committee reviewed the findings of the external auditors' agreed-upon procedures report, in accordance with International Standard on Related Services (ISRS) 4400 (Revised) with regard to "Total Shareholder Return (TSR)" calculation and the level of achievement of the Sustainability index target set for such second cycle (2020-2023) of the 2019-2023 Plan.

The level of target achievement and the associated payout level proposed by the Remuneration Committee were approved by the board of directors on 14 March 2023.

2021-2025 LTIP

At the meeting held on 11 December 2023, the committee assessed the preliminary achievement and payment levels for certain metrics to which both current cycles of the 2021-2025 Plan are tied.

2023-2027 LTIP

At the meeting held on 5 June 2023, the committee gave a favourable report and raised to the board of directors the proposal on the design of the new 2023-2027 LTIP which was put to a say-on-pay vote at the 2023 Annual General Meeting. The above referred proposal for the 2023-2027 Plan was approved by the board of directors on 6 June 2023 and at the Annual General Meeting held on 11 July 2023 with 98.93% of votes for.

At the meeting held on 11 December 2023, the committee issued the proposals on (i) the targets for each of the metrics to which the first cycle (2023-2026) of the 2023-2027 Plan is tied and the calibration of the relevant performance scales (and relating issues) and (ii) the draft Regulations of the 2023-2027 LTIP. Further, the committee gave a favourable report to the different levels of beneficiaries of the first cycle of the Plan and the yardsticks for their appointment. Such proposals and the Regulations of the Plan were approved at the board meeting held on 12 December 2023.

4. Annual Report on Remuneration of Directors

The committee reviewed and gave a favourable report to the draft Annual Report on Remuneration of Directors for 2022 at the meeting held on 13 March 2022. The committee assessed whether the overall remuneration payable to members of the Board of Directors was aligned with the remuneration items and amounts provided in the current Directors' Remuneration Policy for FY2021, FY2022 and FY2023. Such report was approved by the board on the following day.

The report was disclosed to CNMV as Other Relevant Information and is available on CNMV's website and on the corporate website (www.inditex.com). Additionally, pursuant to section 541 LSC, the 2022 Annual Report on Remuneration of Directors was approved at the Annual General Meeting held on 11 July 2023, having been put to an advisory say-on-pay vote.

Last, at the meeting held on the date this report has been issued – 11 March 2024 – the committee has given a favourable report to the 2023 Annual Report on Remuneration of Directors and raised it to the board of directors for approval.

5. Schedule of meeting dates and agenda of business to be transacted

Pursuant to recommendations of CNMV's Technical Guide 1/2019, the Remuneration Committee approved on 11 December 2023 the schedule of meeting dates and agenda of business to be transacted by the committee in 2024.

6. Report on its proceedings and evaluation report

The committee issued the annual report on its proceedings in 2022 at the meeting held on 5 June 2023 (available on the corporate website) and the report on the evaluation of its performance on 11 December 2023.

SUSTAINABILITY COMMITTEE

Article 30*bis* of the Articles of Association, section 17*bis* of the Board of Directors' Regulations, and the Sustainability Committee's Regulations set out the regulations governing the Sustainability Committee.

Membership

As regards the Sustainability Committee's membership, Mr Saracho stepped down from the board, its committees and the Executive Committee in 2023. Following his departure and the resulting downsized board, the vacant seat on the Sustainability Committee was eliminated.

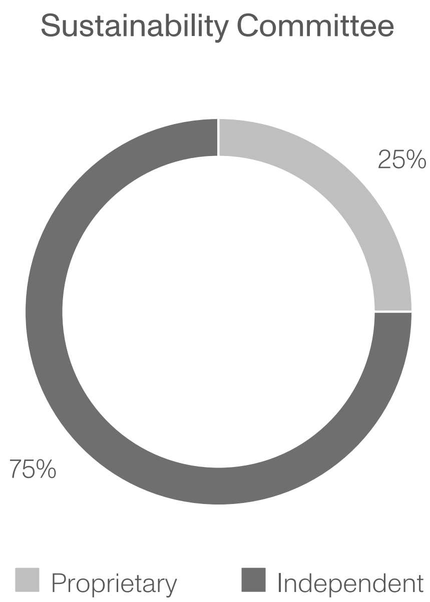
Consequently, the Sustainability Committee's membership as at 31 January 2024 is as follows:

Name	Position	Directorship type
Bns Denise Patricia Kingsmill	Chair	Independent
Ms Anne Lange	Ordinary member	Independent
Ms Pilar López Álvarez	Ordinary member	Independent
Mr José Arnau Sierra	Ordinary member	Proprietary

% executive directors	0%
% proprietary directors	25%
% independent directors	75%
% affiliate directors	0%

Mr Javier Monteoliva Díaz, General Counsel and Secretary of the Board, acts as Secretary-non-member of the Sustainability Committee.

The structure of the Sustainability Committee is addressed in the sections below.



Pursuant to article 30*bis* of the Articles of Association, section 17*bis* of the Board of Directors' Regulations and section 9 of its own terms of reference, the Sustainability Committee shall be made up of a minimum of 3 and a maximum of 7 non-executive directors appointed by the board of directors, a majority of whom shall be independent. The Chair of the Sustainability Committee shall be appointed by the board of directors out of the independent members of the committee.

Members of the Sustainability Committee shall be elected for a 4-year term at the end of which they will be eligible for re-election.

The board of directors shall encourage a diverse committee membership in terms of professional experience, competences, personal skills, sector-specific knowledge, international experience or geographic origin, age and gender, taking into account the restrictions that are a result of the smaller size of the committee.

Members of this committee and in particular its Chair, shall be appointed considering the appropriate knowledge, qualifications and experience based upon the duties they must discharge, in particular in the field of sustainability, social action initiatives, sustainable management of resources and design of communication policies with stakeholders.

Explain the duties assigned to this committee and describe the rules and procedures for its organisation and functioning. For each of these functions, briefly describe its most significant actions during the year and how it has exercised in practice each of the functions assigned to it by law, in the articles of association or in other corporate resolutions

a) Duties:

Pursuant to article *30bis*(3) of the Articles of Association, section 17bis of the Board of Directors' Regulations and sections 5 to 8 of the Sustainability Committee's Regulations, the Sustainability Committee shall have the following basic responsibilities:

- Powers relating to sustainability: (i) to monitor social and environmental strategy and practices, ensuring that they are aligned with the Sustainability Policy, and assessing their level of achievement, (ii) to oversee monitoring of the entire supply chain and compliance by its members with the Inditex Group's Code of Conduct for Manufacturers and Suppliers, (iii) to establish that the products that the Company places on the market comply with the product health and safety standards, (iv) to establish compliance with the most exacting environmental standards, encouraging biodiversity conservation and the sustainable management of natural resources in respect of use of raw materials, production processes, product and store, and (v) to establish compliance with the Company's Human Rights Policy across the entire value chain.
- Powers relating to the relations with the different stakeholders: (i) to oversee and evaluate –in coordination with the Audit and Compliance Committee, with regard to issues that fall under its purview– the strategy on communication and relations with shareholders –including small and medium shareholders– investors, proxy advisors and other stakeholders, and enforcement of the Policy on Disclosure of Economic-Financial, non-Financial and Corporate information; and (ii) to oversee –in coordination with the Audit and Compliance Committee– the process for preparing and releasing regulated and non-regulated non-financial information, as well as the integrity and clarity thereof, with regard to the issues that fall under its purview.
- Other powers entrusted to the Sustainability Committee: (i) to report on the appointment and removal of the members of the Social Advisory Board of the Company, before the report issued by the Nomination Committee, assessing the suitability, competences, knowledge, experience and other occupations of the prospective candidates; (ii) to assess the draft bills and the amendments of national as well as foreign or international regulations on sustainable development, corporate social responsibility and related issues, and their potential impact on the Group's activity, and; (iii) to issue reports on the internal regulations of the Company on matters that fall within its purview.

b) Organizational and operational rules.

The Sustainability Committee shall meet at least 3 times a year and each time that its Chair calls it. The Chair must call the Sustainability

Committee whenever the board of or its Chair request the issue of a report or the approval of proposals and in any case whenever it is appropriate for the committee to be effective. The Committee shall also meet upon request of at least one third of its members. In such case, the meeting shall be called by the Chair to be held within fifteen days of the request.

Ordinary meetings shall be called by fax, telegram or e-mail and the meeting notice shall be signed by the Chair or the Secretary. A quorum for committee meetings shall be declared when at least half plus one of its members attend in person or by proxy. As provided in section 14 of its terms of reference, the Sustainability Committee may also pass written resolutions in lieu of a meeting.

The Chair may call extraordinary meetings when in their view circumstances warrant it. Likewise, the Chair may arrange working sessions to prepare committee meetings on specific topics aside from formal ones.

A quorum for committee meetings shall be declared when at least half plus one of its members attend in person or by proxy. As provided in section 14 of its terms of reference, the Sustainability Committee may also pass written resolutions in lieu of a meeting.

The Chair may call extraordinary meetings of the committee when in their view extraordinary circumstances so require. Likewise, the Chair may arrange working sessions to prepare committee meetings on specific topics aside from formal ones.

Committee meetings may be held via videoconference or conference call, or any other equivalent system enabling the recognition and identification of attendees, allowing them to communicate, speak and cast votes, all in real time.

For the purposes of making the appropriate arrangements that ensure the achievement of the objectives effectively sought, the committee prepares an annual working plan that shall include at least the annual schedule of its ordinary meetings and a tentative agenda of issues under its purview.

The committee may rely on external advisors to duly perform the duties it has been entrusted with. It may also request the presence of executive and/or non-executive directors, members of Management and any employee of the Company, who shall be bound to attend its meetings and provide it with assistance and access to the information available to them upon the committee's request.

The deliberations and the resolutions passed by the committee are recorded in the relevant minutes of the meeting taken by the Secretary thereof.

c) Activities of the Sustainability Committee in 2023: meetings held, attendance, business transacted and reports

The Sustainability Committee has held five (5) meetings in 2023, four (4) of which were included in the Schedule of meeting dates and agenda of business to be transacted.

Directors' attendance rate, whether physical or virtual, at the meetings held in 2023 stands at 100%.

In 2023, the Sustainability Committee has held in-person and hybrid meetings (with some directors attending in person and others remotely). Videoconference or conference call systems were used to hold such hybrid meetings.

The average duration of each meeting was approximately of 2.5 hours. Its members have dedicated enough time to the consideration and review of agenda items

The most relevant proceedings of the Sustainability Committee in 2023 have revolved around the following areas:

1. With regard to monitoring the social and environmental sustainability strategy and practices

.The committee oversees the enforcement of the Sustainability Policy and Strategy on an annual basis by means of: (i) the regular reports submitted by the Sustainability Department and the Chief Sustainability Officer (CSO); and (ii) the initial review of the annual work plan of such department and the follow-up on its enforcement. At the meeting held on 13 March 2023, the committee acknowledged the Annual Activities Report of the Sustainability Department for FY2022 and approved its annual work plan and budget for 2023.

On the other hand, with the assistance of the CEO, the CSO apprised the committee of the most relevant sustainability milestones and initiatives occurred in the respective quarter at the meetings held on 13 March, 5 June, 11 September and 11 December 2023. The committee also acknowledged at these same meetings the progress in the level of achievement of the public objectives outlined in the Sustainability Plan.

At the meeting held on 5 June 2023 the committee acknowledged and gave a favourable report to the scope and detail of the new public sustainability targets approved by the board of directors on 6 June 2023 and later presented by the CEO to shareholders at the Annual General Meeting held on 11 July 2023.

At that same meeting, the committee acknowledged and gave a favourable report to the D&I strategy, from the perspective of the Group's responsible action.

As part of its responsibility in overseeing the implementation of the Company's sustainability strategy, at the meetings held on 11 September and 11 December, the committee acknowledged and gave a favourable report to the presentations on the scope of the targets, main action lines, involved areas and runtime for each of the following plans driven by the Sustainability Department:

- Raw materials plan, in the framework of achievement of the objectives set by the Company for 2023 regarding the use of preferred textile raw materials.
- Supply chain transformation plan covering the different enhancement actions in the field of environment and occupational health and safety and the boost of the 2023-2025 Workers at the Centre Strategy.
- Decarbonization plan, unfolding the various initiatives aimed at achieving the targets announced by the Company to reduce the Company's carbon footprint, in particular the net zero commitment by 2040. The committee also acknowledged the draft Climate Transition Plan, a public document that covers the implementation of the decarbonization plan.
- Last, the Big Zero Waste project, that covers the initiatives tied to the achievement of the following public goals announced by the Company: (i) the elimination of single-use plastics for the end customer, (ii) the collection and management of waste generated at headquarters, logistics hubs, own factories and own stores to be reused or recycled, and (iii) the collection of packaging material to be recycled or reused across the supply chain.

2. With regard to overseeing the process to prepare and release regulated and non-regulated non-financial information

Statement on Non-financial Information

As part of its oversight duties regarding the process to prepare and release regulated non-financial information, the Sustainability Committee gave a favourable report at the meeting held on 13 March 2023 to the 2022 Statement on Non-Financial Information (SNFI) as regards the issues that fall under its purview. The SNFI was approved by the board of directors at the meeting held on the following day, following a favourable report from the Audit and Compliance Committee as regards the oversight of the preparation of such information and the outcome of the external auditor's verification.

On the other hand, at the meeting held on 11 September 2023, the committee acknowledged the presentation delivered by the Sustainability Department on the current environment of sustainability reporting standards, both at European and domestic level, underscoring the approval of the European Sustainability Reporting Standards ("ESRS"), their impact, namely the consequences of climate change or financial impact. At that same meeting, the committee was apprised of the internal assignments carried out to identify the level of compliance with ESRS and implement the relevant action plans, in view of the 2024 reporting.

At the meeting held on 11 December 2023 the committee acknowledged the new methodology used in the double materiality analysis for 2023 reporting, carried out taking into account the recommendations of the Global Reporting Initiative (GRI) standards and the recommendations of the European Financial Reporting Advisory Group (EFRAG), and the outcome of such analysis, which was included in the 2023 SNFI.

Last, at the meeting held on 11 March 2024, the committee reviewed the 2023 SNFI, which is part of the consolidated directors' report, confirming that it has been prepared in accordance with applicable regulations and standards.

Human Rights related representations

At the meeting held on 5 June 2023, the Sustainability Committee gave a favourable report to the Inditex Group Modern Slavery, Human Trafficking and Transparency in Supply Chain Statement for 2023, and resolved to submit it to the Board of Directors, pursuant to the provisions of the UK Modern Slavery Act, the California Transparency in Supply Chain Act and the Australian Modern Slavery Act.

3. With regard to monitoring of applicable regulations

As described above, the committee acknowledged at the meeting held on 11 September 2023 the presentation delivered by the Sustainability Department on relevant regulations with an impact on sustainability reporting.

4. Other powers entrusted to the committee

Internal regulations

.At the meeting held on 3 May 2023, the committee gave a favourable report to the proposal for updating the Community Investment Policy solely for the purpose of expressly addressing the engagement to non-discrimination on grounds of gender identity and expression against any group falling within the scope of the Group's community investment programme.

The board of directors approved the Policy, as amended, on 3 May 2023.

Remuneration issues

The committee gave a favourable report to the following, before raising it to the Remuneration Committee: (i) at the meeting held on 13 March 2023, the level of global achievement of the targets of the sustainability metrics tied to the second cycle (2020-2023) of the 2019-2023 LTIP, and the sustainability targets to which the CEO's annual variable remuneration for 2022 was tied, and (ii) at the meeting held on 11 December 2023, the proposal on the new metrics of the sustainability indicator to which the first cycle (2023-2026) of the new 2023-2027 LTIP are tied.

The Remuneration Committee gave a favourable report to such proposal on the new metrics at the meeting held on 11 December 2023. Such proposal was subsequently approved by the board and written up in Appendix II to the Regulations of the 2023-2027 LTIP.

5. Schedule of meeting dates and agenda of business to be transacted

At the meeting held on 11 December 2023, the Sustainability Committee approved the schedule of meeting dates and agenda of business to be transacted in 2024.

6. Report on its proceedings and evaluation report

The Sustainability Committee issued the annual report on its proceedings in 2022 at the meeting held on 5 June 2023, which is available on the corporate website (www.inditex.com) and the report on the evaluation of its performance on 11 December 2023.

C.2.2. Complete the following table with information regarding the number of female directors who were members of Board committees at the close of the past four years:

	Number of female directors				
	2023	2022	2021	2020	2019
	Number %	Number %	Number %	Number %	Number %
Executive Committee	28.6 %	25.0 %	12.5 %	12.5 %	12.5 %
Audit and Compliance Committee	50.0 %	42.9 %	42.9 %	42.9 %	42.9 %
Nomination Committee	40.0 %	40.0 %	40.0 %	40.0 %	40.0 %
Remuneration Committee	25.0 %	20.0 %	20.0 %	20.0 %	20.0 %
Sustainability Committee	75.0 %	60.0 %	60.0 %	60.0 %	60.0 %

C.2.3. Indicate, where applicable, the existence of any regulations governing Board committees, where these regulations are to be found, and any amendments made to them during the year. Also indicate whether any annual reports on the activities of each committee have been voluntarily prepared.

The terms of reference of the Audit and Compliance, Nomination, Remuneration and Sustainability Committees can be found on Inditex's corporate website (Section"*Investors*", subsection " *Corporate Governance*" - "*Reports & Regulations*").

Additionally, information on board committees is also included in the Board of Directors' Regulations and in the Articles of Association. The full text of the Board of Directors' Regulations is available on both the corporate website (Section "*Investors*", subsection"*Corporate Governance*" - "*Reports & Regulations*"), and on CNMV's website (www.cnmv.es).

Each of the Audit and Compliance, Nomination, Remuneration and Sustainability Committees draw up every year a report on their proceedings. Such reports are available on the corporate website (Section"*Investors*", subsection " *Corporate Governance*" - "*Reports & Regulations*")..

The latest amendment to the terms of reference of the board of directors and the Audit and Compliance Committee was approved by the board of directors at the meeting held on 6 June 2023, as hereunder set forth.

D. Related party and intra-group transaction

Related party transactions carried out in 2023 are addressed below in accordance with the definitions, criteria and groupings provided in section 540 LSC, as amended by Act 31/2014, and chapter VI LSC, as amended by Act 5/2021.

D.1. Explain, where appropriate, the procedure and competent bodies relating to the approval of transactions with related and intra-group parties, indicating the criteria and general internal rules of the entity that regulate the abstention obligations of the affected director or shareholders. Detail the internal information and periodic control procedures established by the company in relation to those related-party transactions whose approval has been delegated by the board of directors..

Pursuant to the provisions of section 5.4(b)(vii) of the Board of Directors' Regulations, the Audit and Compliance Committee shall report on the transactions of the Company or any company of its Group with directors, significant shareholders (i.e. shareholders owning at least 10% of the voting rights or any shareholder represented on the Board of Directors or who has proposed the election of any board member), or with any other person qualifying as related party in accordance with the definition provided in IAS 24 of Commission Regulation (EC) 1126/2008 of 3 November adopting certain international accounting standards, and with their respective Related Persons, as mentioned in Section 40 of the Board of Directors' Regulations.

Said related party transactions shall be approved by the board of directors, following a favourable report from the Audit and Compliance Committee, except for those which, on account of their value or special nature, shall be approved by the General Meeting of Shareholders.

Any transaction with a director for a value in excess of ten (10%) of the corporate assets shall be approved by the General Meeting of Shareholders.

The board of directors shall not approve related party transactions without a prior report from the Audit and Compliance Committee assessing whether it is fair and reasonable.

In this regard, section 13 (c) of the Audit and Compliance Committee's Regulations provides that it is incumbent on this Committee to advise the board of directors on any transaction that the Company or the companies comprising its corporate Group intend to carry out with directors, significant shareholders or shareholders who hold a significant stake or who have proposed the appointment of any director of the Company, or with their respective related persons, from an arm's length perspective.

In the event of transactions with significant shareholders, the Audit and Compliance Committee shall also examine them from the standpoint of an equal treatment of all shareholders.

The board's approval shall not be required for any transactions that must be carried out on grounds of urgency provided that this is duly supported. However, these transactions shall be subsequently confirmed by the board of directors.

The Company shall report on any transactions carried out with its directors, significant shareholders and Related Persons in the half-yearly public periodic information, in the notes to the annual accounts and in the Annual Corporate Governance Report, within the scope provided by statute in each case, whenever they do not fall within the scope of the ordinary course of business of the Company or are not carried out on an arm's length basis.

Pursuant to section 40.6 of the Board of Directors' Regulations, which has also been amended to be brought into line with the terms of section 529*duovicies*(4) LSC introduced by Act 5/2021, the board of directors has delegated to the Market Transparency Committee the approval of the following transactions.:

(a) Transactions between companies of the Inditex Group not wholly owned by the Company made in the ordinary course of business of the companies and on an arm's-length basis and provided that they are not affected by a conflict of interest; and

(b) Those transactions that cumulatively meet the following 3 requirements:

- they are carried out pursuant to standard agreements and applied en masse to a large number of clients
- they are carried out at prices or rates generally set by the provider of the good or service in question; and
- their value does not exceed 0.5% of the company's net turnover.

Such transactions are subject to the Internal Procedure for Periodic Reporting and Control on Related Party Transactions, which is part of the internal regulations of the company in the field of corporate governance and seeks to govern the procedure for periodic control and reporting applicable to related party transactions whose approval has been delegated to the Market Transparency Committee. It ultimately seeks to ensure that these transactions are equitable and transparent and that applicable statutory requirements are met.

D.2. Give individual details of operations that are significant due to their amount or of importance due to their subject matter carried out between the company or its subsidiaries and shareholders holding 10% or more of the voting rights or who are represented on the board of directors of the company, indicating which has been the competent body for its approval and if any affected shareholder or director has abstained. In the event that the board of directors has responsibility, indicate whether the proposed resolution has been approved by the board without a vote against by the majority of the independents:

No new significant transactions have been carried out in 2023 between the Company or any company within the Inditex Group and its controlling shareholder Pontegadea Inversiones, S.L., or with Partler Participaciones, S.L.U. (or Partler 2006, S.L.) and with any persons or companies related thereto, deemed to be significant due to their amount and/or subject matter, the details of which must be separately reported under this section..

Notwithstanding the foregoing, information on related party transactions has been disclosed in the notes to the consolidated annual accounts in accordance with the criteria and the level of disclosure provided in the applicable regulations, including.the transactions between the Company and Group entities with significant shareholders: (i) Pontegadea Inversiones, S.L. and/or any company within its group, most of which consist of leases of business premises where the stores of the different commercial formats of the Inditex Group are opened, as explained in section A.5 above. (ii) Partler Participaciones, S.L.U. and/or any company within its group, that exercises joint control over Inditex together with Pontegadea Inversiones, S.L.; and (iii) Rosp Corunna Participaciones Empresariales, S.L., a related party to a close family member of Inditex's beneficial owner.

The information disclosed, above referred, includes the detail of the amounts accrued in 2023 in connection with every related party transaction approved by the board of directors in 2023 (pursuant to the procedure described in section D.1. above), as well as the detail of a number of related party transactions carried out by the Company or other subsidiaries of the Group which were reviewed and reported by the Audit and Compliance Committee and later approved by the board in previous years but which remain in effect or are being implemented in 2023. All of them have been broken down in the notes to the annual accounts and disclosed in the annual report on related party transactions for the year in question.

D.3. Give individual details of the operations that are significant due to their amount or relevant due to their subject matter carried out by the company or its subsidiaries with the administrators or managers of the company, including those operations carried out with entities that the administrator or manager controls or controls jointly, indicating the competent body for its approval and if any affected shareholder or director has abstained. In the event that the board of directors has responsibility, indicate whether the proposed resolution has been approved by the board without a vote against by the majority of the independents:

No new significant related party transactions have been carried out in 2023 between the Company or entities of its group and the directors and officers of the Company. The definition of significant or relevant transactions is provided in section D.2 above..

Related party transactions that Inditex directors and/or officers are generally entitled to carry out, mainly consist of the purchase of products that the Group places on the market. Such related party transactions will be approved by the Market Transparency Committee by delegation of the board of directors. Such committee has found that such transactions are of scarce economic value, are arm's length transactions, and have not entailed better terms, economic or otherwise, than those granted to a third party in equivalent circumstances.

Name (person or company) of directors or officers	Name (person or company) of the related party	Relationship	Type of transaction	Amount (thousands of euros)
		-		

With regard to the remuneration received by directors and officers, reference is made to the provisions of sections C.1.13 and C.1.14 above.

D.4. Report individually on intra-group transactions that are significant due to their amount or relevant due to their subject matter that have been undertaken by the company with its parent company or with other entities belonging to the parent's group, including subsidiaries of the listed company, except where no other related party of the listed company has interests in these subsidiaries or that they are fully owned, directly or indirectly, by the listed company.

No transactions as described in this section have been undertaken in 2023 by the Company, its subsidiaries and other entities of the Inditex Group outside their ordinary course of business as regards their purpose and terms, or which are in conflict..

Transactions between Inditex and its subsidiaries have been fully eliminated on consolidation, as they are part of their ordinary course of business and therefore, they are not broken down in this section.

In any case, intragroup transactions conducted with joint control companies and with entities established in countries or territories considered as tax havens are reported below:

Company name of the entity within the group	Brief description of the transaction	Amount (thousands of euros)
Joint Control Companies (1)	Purchase of goods	-1,163,367
100% Subsidiaries (2)	Sale of goods and provision of services to stores	12,062

(1) Transactions between Inditex or any company of the Inditex Group with Tempe and/or its subsidiaries are made in their ordinary course of business as regards their purpose and terms. Being jointly controlled entities, they are consolidated using the equity method.

(2) The above mentioned transactions are exclusively within the ordinary course of business of the Group through its stores, not being due to tax reasons, and are made on arm's length basis. As at 31 January 2024, transaction of the Group with Group companies residing in countries or territories considered tax havens under Spanish laws, correspond to sales through three stores of the Group located in Macau and in Monaco.

D.5. Give individual details of the operations that are significant due to their amount or relevant due to their subject matter carried out by the company or its subsidiaries with other related parties pursuant to the international accounting standards adopted by the EU, which have not been reported in previous sections

Company name of the related party	Brief description of the transaction and other information necessary for its evaluation	Amount (thousands of euros)
		—

No other significant transactions have been carried out in 2023 with other related parties..

D.6. Give details of the mechanisms in place to detect, determine and resolve potential conflicts of interest between the company and/or its group and its directors, senior management, significant shareholders or other associated parties..

Section 34 of the Board of Directors' Regulations addresses potential situations of conflict of interest for board members:

"1. *A conflict-of-interest situation shall be deemed to exist where there is a direct or indirect conflict between the interest of the Company and the personal interest of directors. It is considered that directors have a personal interest when the matter affects them or any of their related persons.*

For the purposes of these Regulations, Related Persons of a director are understood as being the following:

- *(a) The spouse of the director or any other person deemed to be equivalent to a spouse;*
- *(b) the ancestors, descendants and siblings of the director or of the spouse (or any other person deemed to be equivalent to a spouse) of the director;;*
- *(c) the spouse (or any other person deemed to be equivalent to a spouse) of the ancestors, descendants and siblings of a director;*
- *(d) Those companies or entities where directors would hold, directly or indirectly, even via a nominee a significant shareholding giving them a significant influence or, if they hold in them or in their parent companies an office in their governing body or act a senior manager thereof. For this purpose, any shareholding equal to or in excess of 10% of the share capital of the company or of its voting rights or based upon which a representation on the governing body of the company has been secured de facto or de jure, shall be deemed to give significant influence..*
- *(e) Shareholders represented by a director on the Board of Directors.*

With regard to directors who are legal entities, Related Persons are understood as being the following:

- *(a) Those partners who are included with regard to the Director legal entity, in any of the situations provided in Section 42 of the Code of Commerce;*
- *(b) The legal representative, the director de jure or de facto, the liquidators and the attorneys-in fact with general powers of the director, who is a legal person;*
- *(c) Those companies that are part of the same corporate group, as defined in Section 42 of the Code of Commerce, and their shareholders; and*
- *(d) Those persons who are understood, with regard to the director who is a legal person, as being related persons in accordance with the provisions of the paragraph above regarding directors who are natural persons.*

The following rules shall apply to the conflict-of-interest situations:

- *(a) Prevention: directors must take all necessary measures to prevent, as far as possible, becoming involved in any situations in which their interests may, either on their behalf, or on behalf of third parties, be in conflict with the interest of the company and with their duties towards the company.*
- *(b) Disclosure: without prejudice to their obligation of active prevention, directors must disclose to the Board of Directors, through the Chair or the Secretary thereof, any conflict-of-interest situation in which they are involved.*
- *(c) Abstention: directors must abstain from attending and taking part in the discussions and voting of those matters regarding which they are in a conflict-of-interest situation, with the exceptions provided in the applicable laws. Likewise, with regard to proprietary directors, they shall abstain from taking in the voting of those matters that might entail a conflict of interest between those shareholders that had proposed their appointment and the Company, with the exceptions provided for in the applicable regulations.*
- *(d) Transparency: the Company must disclose in the notes to the annual accounts any conflict-of-interest situation in which a director is, that the Company is aware of by virtue of the information of same by the affected person, or by any other means."*

In addition, sections 33 and 35 to 37 of the Board of Directors' Regulations address the following situations that can give rise to conflicts of interest: (i) the rendering of professional services in competing companies (section 33); (ii) the use of corporate assets (section 35); (iii) the use of non-public Company information for private ends (section 36), and (iv) taking advantage of business opportunities of the Company (section 37).

Moreover, section 39 of the Board of Directors' Regulations provides that directors must disclose to the Company: (i) the number of shares that themselves or their closest relatives hold in the same, directly or indirectly, in accordance with the provisions of the IRC; (ii) any conflict-of-interest situation, either direct or indirect, in which either themselves or their Related Persons may be involved with respect to the interest of the Company; and (iii) all the positions they hold and the activities they carry out in other companies or entities and, in general, about any fact or situation that may be relevant to the performance of their duties as director of the Company (in this regard, without prejudice to the obligation of tendering their resignation to the board of directors, provided in section 25 of the Board of Directors' Regulations–which addresses the resignation, removal and dismissal of directors–), directors shall inform the board of any other change to their professional situation and of any circumstance that might damage the name and reputation of the Company or jeopardise its interests); and (iv) of any legal, administrative proceedings or other proceedings whatsoever brought against them that might, given their relevance or description, seriously affect the reputation of the Company. Namely, directors shall inform the Company via the Chair of the board of directors, of any criminal charges brought against them as well as how the legal proceedings subsequently unfold. The Board of Directors shall examine the case, as soon as possible, and shall take, subsequent to a report from the Nomination Committee, based upon the interests of the company, any measures it may deem appropriate, such as the opening of an internal investigation, calling on a director to resign or proposing their dismissal.

In this case, the Company shall report the measures taken in the Annual Corporate Governance Report, unless there are special circumstances that justify otherwise, which must be recorded in the minutes.

Additionally, section 1 of the Board of Directors' Regulations provides that the rules of conduct therein established for directors shall apply, to the extent that they are compatible with their specific nature, to the senior managers of the company who are not directors. More particularly and with the due nuances, the following sections shall apply to senior managers: section 32 (duty of confidentiality), 34 (conflicts of interest), in connection with the duty of informing the Company, 35 (use of corporate assets), 36 (non-public information), 37 (business opportunities), and 38 (prohibition to make undue influence of the office), as well as all the obligations stemming from the IRC..

With regard to significant shareholders, section 40 of the Board of Directors' Regulations provides that:

"1. The Board of Directors reserves the right to be apprised of any transaction between the Company or any of its subsidiaries with directors, with shareholders owning 10% or more of the voting rights or represented on the Board of Directors, or with any other person qualifying as related party in accordance with the definition provided in International Accounting Standards.

2. The approval of a related party transaction must be subject to the prior report of the Audit and Compliance Committee. In such report, the committee shall consider whether the transaction is fair and reasonable from the standpoint of the Company and, if appropriate, of any shareholder other than the related party, in accordance with the requirements laid down for each case in the applicable regulations. Affected directors will not take part in the preparation of such report.

3. Where duly supported reasons for urgency exist, related party transactions may be approved, if appropriate, by delegated bodies or individuals. In this case, they must be ratified at the first board meeting held following their conduct.

4. The Company shall inform of the transactions conducted with directors, significant shareholders and Related Persons in the half-yearly public periodic information and in the Annual Corporate Governance Report, within the scope of applicable regulations. Likewise, the Company shall include on the notes to the annual accounts information on the transactions carried out by the company or any companies within the Inditex Group with directors and with those acting on their behalf, whenever they are alien to the ordinary course of business of the Company or are not carried out on an arm's length basis.

5. Related party transactions whose value is in excess of 5% of the equity value or 2.5% of the annual turnover must be published on the Company's website at the latest on the date they are carried out, together with the report issued by the Audit and Compliance Committee. Likewise, they should be disclosed to the National Securities Market Commission to be publicly released.

6. The Board of Directors may delegate the approval of the following related-party transactions in the following cases:

(i) Transactions that cumulatively meet the following 3 requirements:

(a) they are carried out pursuant to standard agreements and applied en masse to a large number of clients;

(b) they are carried out at prices or rates generally set by the provider of the good or service in question; and

(c) their value does not exceed 0.5% of the company's net turnover.

(ii) Transactions among companies of the same group carried out within the ordinary course of company business and on an arm's length basis. Said transactions will be subject to the internal information and monitoring procedure overseen by the Audit and Compliance Committee.

6. The authorisation shall be granted by the General Meeting of Shareholders when it refers to any transaction with a director for a value that is in excess of 10% of the corporate asset."

As stated in section D.1 above, the Audit and Compliance Committee is responsible for reporting on the transactions that involve–or are likely to involve–any conflict of interest, and the Nomination Committee is responsible for reporting on the authorisation or release by the Board of Directors of the obligations stemming from the duty of loyalty of directors, where said responsibility is not incumbent upon the General Meeting of Shareholders.

Although the system above described exclusively applies to directors and other individuals within the Company considered as senior managers, the Company has in place a number of mechanisms to detect, determine and solve potential conflicts of interest that may arise regarding directors, officers and other Group employees in the Code of Conduct and in the Conflicts of Interest Policy approved by the board of directors on 16 July 2019 and amended on 6 February 2024.

This Policy seeks to supplement and implement the provisions of the Code of Conduct in the field of conflicts of interest, defining appropriate measures to prevent, detect, disclose and manage any conflicts of interest thay may arise and affect Inditex employees at the workplace.

Section 5 of the Policy sets out a number of conflict of interest situations and the conduct guidelines for anyone under the scope of application of the Policy, to avoid where possible, being in any situations that may entail a direct or indirect, actual or potential conflict of interest.

The Policy also covers the obligation to forthwith disclose any apparent or real conflict-of-interest situation that may arise, as well as any concerns they may have about whether a specific situation qualifies as conflict of interest, via the Ethics Line, the preferred confidential channel to report this type of situations. The Ethics Committee shall be responsible for handling through to completion the cases relating to breaches of the Policy that may arise or which may be reported.

D.7. Indicate whether the company is controlled by another entity within the meaning of section 42 of the Commercial Code, whether listed or not, and whether it has, directly or through any of its subsidiaries, business relationships with said entity or any of its subsidiaries (other than the listed company) or carries out activities related to those of any of them.

Yes x No

Pontegadea Inversiones, S.L. owns 1,558,637,990 shares of the Company, which represents a 50.01% stake in its share capital. Transactions that are significant, either on account of the amount involved or of their nature, entered into between the company and the different entities within the Inditex Group and Pontegadea Inversiones, S.L. and its related entities, are covered in section D.2 above. However, no new transaction deemed to be significant has been undertaken in 2023.

As described in section A.5. above, to conduct its physical retail activity in accordance with the Group's commercial strategy, based on its positioning in prime locations and strategic shopping areas, Inditex and Group companies have several lease agreements in place over business premises owned by its significant shareholders: Pontegadea Inversiones, S.L., Partler Participaciones, S.L.U, and Rosp Corunna Participaciones Empresariales, S.L., and/or any company of their respective groups.

Prior to their execution and approval by Inditex's board of directors, the terms of such lease agreements have been reviewed first by the Audit and Compliance Committee, on the basis of valuation reports issued by independent experts. The committee seeks to establish that these transactions have been carried out on an arm's length basis, are fair and reasonable from the Company's perspective and in the interest of the Company. Likewise, such lease agreements have been disclosed in the relevant annual report on related party transactions that the Company issues every year in accordance with Recommendation 6 GGC.

The detail of these lease agreements and refurbishment works, among other transactions, the significant shareholder of the Company they are associated with (for the purposes of section 529*tervicies* LSC and the amounts accrued in the year, can be found in the Notes to the Consolidated Annual Accounts.

The objects of Pontegadea Inversiones, S.L. are holding stakes in trading companies and the purchase and disposal of stock, transferable securities and real estate.

Indicate whether the respective areas of activity and any business relationship between the listed company or its subsidiaries, and the parent company or its subsidiaries have been defined publicly and precisely:

Yes x No

Report the respective areas of activity and any business relationships between the listed company or its subsidiaries and the parent company or its subsidiaries and identify where these aspects have been publicly reported.

Pursuant to section 40.4 of the Board of Directors' Regulations, the Company reports on the transactions carried out with its significant shareholders and their related parties in the periodic half-yearly information and in the Notes to the Annual Accounts..

Additionally, pursuant to Recommendation 6 GGC, the report on related party transactions issued by the Audit and Compliance Committee is made available to the shareholders on the corporate website well in advance of the Annual General Meeting.

Identify the mechanisms in place to resolve potential conflicts of interest between the parent of the listed company and the other group companies:

Mechanisms for resolving possible conflicts of interest

Section 40 of the Board of Directors' Regulations governs the procedure to approve transactions between the Company and its shareholders as well as the rules on the reporting thereof. It is fully transcribed in section D.6 above. In short: this type of transactions must be approved by the board of directors, following a report from the Audit and Compliance Committee, except for (i) any transaction for a value that is in excess of 10% of the corporate assets that must be approved by the General Meeting of Shareholders or (ii) those transactions which do not require the approval of the board and must be approved by the Market Transparency Committee, as delegated by the board of directors, pursuant to applicable regulations, These transactions shall be subject to the relevant internal control procedure and ultimately overseen by the Audit and Compliance Committee.

Likewise, as stated in section D.1 above, the Audit and Compliance Committee is tasked with reporting on transactions that entail or that might entail conflicts of interest situations.

E. Enterprise Risk Management system

The information on the Enterprise Risk Management System is provided in section.5.13 – "Responsible risk management" of the Statement on Non-Financial Information (SNFI), which is part of the Integrated Directors' Report of the Inditex Group.

F. Describe the mechanisms forming your company's Internal Control over Financial Reporting System (ICFR)

F.1. The entity's control environment

Give information on the key features of at least:

F.1.1 The bodies and/or functions that are responsible for: (i) the existence and maintenance of an adequate and effective ICFR; (ii) its implementation; and (iii) its supervision.

Board of Directors

Except for any matters exclusively within the purview of the shareholders at the General Meeting of Shareholders, the board of directors is the supreme decision-making, supervisory and monitoring body of the Group, being ultimately responsible for the existence and maintenance of an appropriate and effective ICFR, as provided in the Policy on Internal Control System over Financial Reporting (the "ICFR Policy"), approved by the board of directors.

The board of directors is entrusted with the duties of leadership, management and representation of the Group, delegating as a general rule the management of the day-to-day business of the Company to the executive bodies and the management team and focusing on the general supervisory function, which includes guiding the policy of the Group, monitoring management activity, evaluating officers' performance, making the most relevant decisions for the Group and liaising with the shareholders.

Audit and Compliance Committee

Pursuant to the provisions of the Articles of Association, the Board of Director's Regulations and the Audit and Compliance Committee's Regulations, and as part of its financial and monitoring duties, the committee shall oversee the process for preparing and releasing the regulated financial information, as well as the effectiveness of the Internal Control over Financial Reporting System, as provided in the ICFR Policy.

In this regard, the Committee carries out the following duties, without limitation:

- To oversee the effectiveness of the internal control system of the Group, the internal audit, and the risk management systems, and to review with the statutory auditor the significant weaknesses of the internal control system revealed, as the case may be, during the audit..
- With regard to the powers relating to the process of preparing the regulated financial information
  - To oversee and evaluate on an ongoing basis the process of preparation and presentation as well as the clarity and integrity of the financial information and the directors' report relating to the Company and its Group, ensuring that the half-yearly financial reports and the quarterly management statements are drafted in accordance with the same accounting standards as the annual financial reports and to oversee the review of the interim financial statements requested from the statutory auditor, with the scope and frequency that may be defined, as the case may be.
  - To review compliance with statutory requirements, the appropriate delimitation of the consolidation perimeter and the correct application of the generally accepted accounting principles and international financial reporting standards as may be applicable.
  - To keep a fluent communication with the Company's Management to understand its decisions regarding the application of the most significant criteria; with the Internal Audit Function to be apprised of the findings of the reviews carried out; and with the external auditor or verifier, to obtain their opinion regarding financial information.
  - To be familiar with, understand, oversee and evaluate the effectiveness of the internal control over financial reporting system and receive information on a regular basis from the supervisor thereof.
  - To submit recommendations or proposals to the board of directors for the purposes of safeguarding the integrity of the financial information;
  - To assess and advise the board of directors on any significant changes in accounting standards and on the significant risks on the balance sheet and the off-balance sheet.
  - To review that the regulated financial information posted on the Company's corporate website is kept updated at all times and matches the information stated by the board of directors and posted on CNMV's website.

- With regard to enterprise risk management:
  - To oversee the enterprise risk management function and establish that it operates pursuant to the provisions of the policy approved by the Board.
  - To receive, on a regular basis, reports from the Management or from the supervising areas, on the proceedings of risk management systems established, as well as on the results of the tests carried out by internal auditors relating to the same, and on any significant internal control weakness detected by the external auditors..
  - To evaluate the effectiveness of internal control and management systems relating to financial risks, as well as of the measures established to mitigate the impact of identified risks.
  - To promote a corporate culture within the Company wherein risk assessment is a factor upon decision-making, at all levels of the Company and its Group.
  - To identify and re-assess, at least on an annual basis, the most significant financial risks and the level of risk tolerance.
  - To identify and understand emerging risks as well as their alert mechanisms, and regularly evaluate their effectiveness.
  - To ensure that risks are kept and managed within the levels of risk tolerance set by the board of directors.
  - To ensure that the internal control policies and systems established by the company are effectively applied in practice.
  - To meet at least once a year, and whenever the committee deems it appropriate, with the heads of business unit so that they would brief the committee on business trends and risks associated with the respective areas under their remit.
  - To submit recommendations or proposals to the board of directors and the relevant deadline for follow-up.
  - To ensure the effective practical application of the internal control policies and systems established by the Company.

Most members of the Audit and Compliance Committee are non-executive independent directors. The committee meets on a quarterly basis and whenever it is called by its Chair. In 2023, the Audit and Compliance Committee has met 7 times.

Financial Department

The Financial Department is responsible for preparing the financial information and for the design, roll-out and implementation of the ICFR system, keeping it updated, monitoring its design and proceedings to ensure that it is effective and appropriate, communicating and training the parties involved and keeping a periodic report.

The Financial Department drafts and circulates the policies, guidelines and procedures, associated with financial reporting and ensures the appropriate enforcement thereof within the Group.

Internal Audit

The Internal Audit function supports the board of directors, through the Audit and Compliance Committee, with regard to the oversight duty relating to risk exposure, ensuring that appropriate and effective controls are set as an answer to risks in the field of governance, operations and information systems, regarding, inter alia, reliability and integrity of financial information and in particular, the Internal Control over Financial Reporting System (ICFR). To achieve this, Internal Audit carries out specific periodic ICFR audits, requests action plans to correct or reduce any weaknesses revealed and follows up on the implementation of the proposed recommendations.

The Internal Audit Charter, approved by the board of directors, covers the mission, authority and responsibilities of the Internal Audit function pursuant to both domestic and international regulations and standards for the professional practice of internal auditing.

Likewise, Internal Audit has been awarded the certificate of compliance with the *"International Standards for the Professional Practice of Internal Auditing"* by the Instituto de Auditores Internos, a member of the IIA (Institute of Internal Auditors).

F.1.2. Indicate whether the following exist, especially in relation to the drawing up of financial information:

Departments and/or mechanisms in charge of: (i) the design and review of the organisational structure; (ii) clear definition of lines of responsibility and authority with an appropriate distribution of tasks and functions; and (iii) ensuring that adequate procedures exist for their proper dissemination within the entity.

The board of directors is responsible for the design and review of the organisational structure and the lines of responsibility within the Group. The departments charged with drawing up the financial information are found within said structure.

Senior Managers and the Human Resources (HR) Department define the duties and responsibilities of each area.

The Group has clearly defined lines of authority and responsibility regarding the process to draw up financial information. The main responsibility regarding financial reporting lies with the Financial Department.

The structure, size and definition of duties and tasks of each position within the financial area are defined by the Financial Department and disclosed by the HR Department.

With regard to ICFR, a specific management area was set up within the Financial Department, to which it reports, (the "ICFR Area").

The Group relies on financial organisational structures that meet local requirements in each country where it operates, with a Chief Financial Officer at the helm who is charged, inter alia, with complying with the procedures set out within the ICFR System.

- **Code of conduct, the body approving this, degree of dissemination and instruction, principles and values covered (stating whether there is specific mention of record keeping and preparation of financial information), body charged with analysing breaches and proposing corrective actions and sanctions.**

The main internal conduct regulations of the Group are provided in::

- The Code of Conduct
- The Code of Conduct for Manufacturers and Suppliers
- The Compliance Policy and the Compliance Management Procedure.
- The Integrity Policies, which are: (i) the Policy on Gifts and Invitations; (ii) the Policy on Donations and Sponsorships, and; (iii) the Policy on Dealings with Public Officials.
- The Conflicts of Interest Policy
- The Internal Regulations of Conduct in the Securities Markets (IRC)

– Code of Conduct

The current Code of Conduct was approved by the board of directors at the meeting held on 6 February 2024. Such approval marks the completion of the process to update it, which began in 2022.

The Code of Conduct sets out the Group's ethical commitments and the principles of action that should guide relations between people in the Group and the relations between them and the various stakeholders anywhere in the world.

The Code of Conduct is informed by a number of overarching principles, including. (i) respect in the relationships with the stakeholders of the Company; (ii) honesty and integrity in all decisions, actions and operations carried out; (iii) transparency, fostering open communication and dialogue with the stakeholders, and (iv) responsibility, materialised in compliance with the laws, internal regulations of the Group and in the respect for and promotion of Human Rights and the engagements undertaken by the Company of its own accord.

One of the standards of conduct covered in the Code of Conduct is found in the section about " *Information integrity and transactions record*". The Company's commitment to fulfilling any applicable financial tax, regulatory and information disclosure obligations is addressed in such section.

According to that same section, the Company's internal information records shall be strictly managed to ensure compliance with the above referred obligations, as well as the accuracy, objectivity and integrity of the information that the Company relays to its stakeholders.

As part of the guidelines of action provided in this section, Group employees shall expressly undertake to enter the information and transactions in the company's records and systems "*in a transparent, objective, updated, truthful and complete manner as well as in accordance with applicable regulations and internal processes*".

Group employees must also cooperate with internal and/or external audits duly attending to their requests for information, always acting in accordance with internal provisions on financial and non-financial information of the Company.

The Ethics Committee is responsible for overseeing compliance with the Codes of Conduct and the remaining internal regulations of conduct of the Group. As described in detail below, the Group relies on an Ethics Line to report potential breaches of the internal regulations. the description and proceedings of the Ethics Line are aligned with applicable requirements and best practices.

– Policy on Criminal Risk Prevention.

The Policy on Criminal Risk Prevention relates engagements of ethical behaviour undertaken pursuant to the Code of Conduct with the offences that it intends to prevent.

In line with the provisions of the Code of Conduct, section 2.9 of the Policy reads as follows: *"(...) any transaction of economic weight carried out by the Company shall be clearly and accurately recorded in appropriate accounting records that show the true and fair image of the transactions carried out. Said records must be made available to internal and external auditors.*

Inditex's employees shall enter the full financial information into the Company's systems clearly and accurately so that they show, as of the relevant date, its rights and obligations in accordance with the applicable regulations. Likewise, they shall ensure that the financial information that must be disclosed to the market under the prevailing regulations in force, is accurate and full.

Inditex is committed to implementing and keeping an appropriate internal control system in respect of financial reporting, ensuring that the effectiveness of this information is regularly monitored. For this purpose, required training will be offered so that employees may be apprised of and understand the company's commitments in the field of internal control on financial reporting."

The Policy, together with the Criminal Risk Prevention Procedure and the Criminal Risk and Control Matrix, comprise the Model of Criminal Risk Prevention of the Inditex Group. The Ethics Committee is the governing body responsible for overseeing compliance with said Model and the effective and appropriate implementation of the controls therein set.

IRC

Compliance with the IRC is mandatory for all the persons included in its scope of application and any noncompliance may be reported in a confidential manner to the Ethics Committee, pursuant to the provisions of the Ethics Line Procedure.

In this regard, noncompliance with the IRC may give rise to the relevant disciplinary sanctions, as the case may be, to civil, criminal and/or administrative liability, and to the obligation to compensate any damages incurred, where appropriate.

Last, there is a Market Transparency Committee which reports directly to the Audit and Compliance Committee, composed of:

- The CEO
- The General Counsel and Secretary of the Board
- The CFO
- The Capital Markets Director, and
- The Chief People Officer.

The Committee is mainly responsible for developing procedures and implementing regulations to enforce the IRC. The General Counsel's Office, led by the General Counsel and the Board of Directors is accountable to the Market Transparency Committee. The General Counsel's Office is tasked, inter alia, with enforcing the conduct regulations of securities markets and the rules and procedures of the IRC on directors, officers, employees and any other person to which the IRC applies.

The IRC sets outs the principles and criteria to ensure (i) that the information released to the market and to CNMV is reliable, clear, quantified and complete, avoiding subjective evaluations that lead or may lead to confusion or deception, as well as (ii) the appropriate use and dissemination of inside information and other relevant information of the Company.

The proceedings of the companies that are part of the Group and of all the individuals with access to information that may be deemed to be inside information and/or other relevant information, and namely financial information, shall comply with the following principles, without limitation: regulatory compliance, transparency, collaboration, information, confidentiality and neutrality. Both the Market Transparency Committee and the General Counsel's Office ensure that the above referred principles are observed.

The General Counsel's Office keeps a General Documentary Register of Affected Persons subject to the IRC. The General Counsel's Office informs Affected Persons that they have been included in such Register and that they are subject to the provisions of the IRC and reports any breaches and penalties which may result, as the case may be, from an inappropriate use of inside information.

As indicated above, compliance with the Codes of Conduct of the Inditex Group and, in general, with its internal regulations of conduct is ensured through the Ethics Committee, composed of:

- The General Counsel and Secretary of the Board, who chairs it.
- The Chief Compliance Officer, in her capacity of Deputy Chair.
- The Chief Sustainability Officer
- The Chief People Officer
- The Chief Audit Officer, in an advisory capacity
- The Ethics Line Manager

The Ethics Committee may act of its own motion or at the behest of any employee, manufacturer or supplier of Inditex, or any third party involved in a direct relation and with a lawful business or professional interest, further to a report made in good faith.

The Ethics Committee reports to the board of directors through the Audit and Compliance Committee and has the following basic responsibilities, without limitation:

- To oversee compliance with the Code and the internal circulation thereof as well as that of the remaining internal regulations of conduct to the Group's s personnel.
- To receive any manner of written instruments with regard to the enforcement of the Code and to send them, where appropriate, to the relevant body or department which may be responsible for processing and issuing a resolution regarding such instrument.
- To oversee the Ethics Line and compliance with the Ethics Line Procedure..
- To monitor and oversee proceedings and their settlement.
- To resolve any questions that may arise regarding the enforcement of the Code.

- To propose to the board of directors, following a report of the Audit and Compliance Committee, any explanation or implementation rule that the enforcement of the Code may require, and at least, an annual report to review its enforcement.
- To promote training plans for employees on internal conduct regulations and the proceedings of the Ethics Line.

In the performance of its duties, the Ethics Committee shall ensure:

- The confidentiality of all information and background details and of the action taken unless the disclosure of information is required by law or by a court order.

To ensure that the Ethics Line is effective, and that the privacy of the parties concerned is protected, the Ethics Committee may handle ex-officio anonymous concerns.

- The thorough review of any information or document that triggered its action.
- The commencement of proceedings that adjust to the circumstances of the case, where it shall always act with independence, fully respecting the right of the parties to be heard, to honour and to the presumption of innocence
- Prohibition of retaliation and indemnity of anyone who reports through the Ethics Line in good faith.

After the due investigation of the case, the Ethics Committee resolves to either close it or that an actual breach exists. In the event of a breach, the Committee will decide on its severity and the advisability of taking action, but the specific preventive, corrective and/or disciplinary measures will be determined by the competent department or area which will report them to the Ethics Committee.

Decisions of the Ethics Committee are binding on the Inditex Group and its employees.

The Ethics Committee submits a report to the Audit and Compliance Committee at least every six months, reviewing its proceedings, in particular with regard to the management and oversight of the Ethics Line, and the enforcement of the Code of Conduct..

Additionally, the Audit and Compliance Committee apprises the board of directors, on an annual basis as well as whenever this latter so requires, of the enforcement of the Code of Conduct and the additional documents which comprise the Model of Compliance from time to time in force.

With regard to the dissemination of the above-mentioned conduct regulations, the Group HR Department is responsible for distributing a copy of the Code of Conduct to all new employees when they join the organisation.

Likewise, conduct regulations, as amended, are available on the corporate website and on INET. They are subject to the appropriate measures regarding disclosure, distribution, training and awareness-raising, so that they may be understood and implemented within the whole organisation.

- **Whistleblowing channel allowing notifications to the audit committee of irregularities of a financial and accounting nature, in addition to potential breaches of the code of conduct and unlawful activities undertaken in the organisation, indicating whether this channel is confidential and whether anonymous notifications can be made, protecting the rights of the whistleblower and the person reported.**

The Company has an Ethics Line in place, available to all employees, directors and shareholders of the Group, as well as to anyone working under the supervision of manufacturers, suppliers, contractors or subcontractors of the Group, so that they may report, even anonymously. actions or omissions that may constitute violations of applicable laws or a breach of the Codes of Conduct of the Group. Therefore, any breach and/or any manner of malpractice, including those of a financial and accounting nature, may be reported via the Ethics Line..

The Ethics Line is governed by the principles and warranties set out in the Internal Reporting Channels Policy. Its proceedings are described in the Ethics Line Procedure. Such warranties include: (i) confidentiality; (ii) non-retaliation; (iii) presumption of innocence and respect for the right to honour of reported parties; (iv) the right of the parties to be heard, and; (v) appropriate use of personal data processed.

The Policy and Procedure, above referred, encompass applicable best practices in the field of human rights. In addition, the Ethics Line meets all applicable requirements in the markets where the Group operates, in particular those arising from the transposition into national laws of Directive (EU) 2019/1937 on the protection of persons who report breaches of Union law.

Full information on the Ethics Committee and the Ethics Line is available on the intranet and on the corporate website where a direct link to such Line is available.

Reports of noncompliance and/or queries regarding the construction or enforcement of internal conduct regulations may be sent to the Company: (i) by post - for the attention of the Ethics Committee to the following postal address: Avenida de la Diputación, Edificio INDITEX, 15143 Arteixo, A Coruña (Spain) – or (ii) via the platform made available for such purposes on both the corporate website and intranet.

- **Training and periodic refresher programmes for personnel involved in the preparation and revision of financial information, as well as in the assessment of the ICFR system, covering at least accounting standards, auditing, internal control and risk management.**

The Group's Training and Career Development Area, reporting to the HR Department, prepares, together with each of the areas reporting to the Financial Department, training and refresher courses addressed to staff responsible for drawing up and overseeing the financial information of each company within the Group. Said schemes include, both general courses, focusing on business expertise and knowledge of the different interrelated departments that make up the company, and specific schemes aimed at training and refreshing employees in respect of regulatory developments on financial reporting and oversight of financial information.

– General Induction

Aimed at gaining internal knowledge of each business unit, as well as of each department and the respective activities, functions and duties within the business. Under this scheme, employees begin by working at the stores, getting directly acquainted with the whole process of running a store and they continue at different departments at headquarters

– Specific training

Group employees responsible for the processes associated with the preparation of financial information regularly take training and refresher courses that seek to acquaint them with local and international regulations on financial reporting, as well as with existing regulations and best practices in the area of internal control. An e-learning platform is available to employees, to train them on issues regarding financial reporting or information security, among others.

Within the financial environment, training and refresher schemes are arranged by the HR Department liaising with each of the areas of the Financial Department.

Training courses are provided on an annual basis for all new heads of financial areas in each country, in order to get them acquainted with the Inditex Group's management model, as well as with the internal control system over financial reporting implemented by the Group. Specific training on the system is run to every employee who starts to play a role associated with ICFR (control owner, process owner, etc.).

Additionally, courses are taught by internal staff on the operation of financial software tools used to draw up financial information.

Among the specialised training run to employees of the different units and areas of the Financial Department, training is imparted every year on risk management, the update on international accounting standards (IFRS), local accounting standards and tax regulations. In addition, specific training is imparted on ICFR and on financial hedging.

F.2. Assessment of risks in financial reporting

Report on at least the following:

F.2.1. The main characteristics of the risk identification process, including risks of error and fraud, as regards:

- **Whether the process exists and is documented.**

The risk identification process has been documented in the Procedure for Enterprise Risk Management regarding Financial Reporting. This Procedure seeks to describe the mechanisms for identifying and assessing, on an annual basis, the risks that might lead to material errors in financial reporting

- **Whether the process covers all the objectives of financial reporting, (existence and occurrence; completeness; valuation; presentation; disclosure and comparability; and rights and obligations), whether it is updated and if so how often.**

The above-mentioned risks management process consists of five (5) stages:

- Gathering financial information.
- Identifying the operating processes with an impact on financial information.
- Assessment of risks by Reporting unit of financial statements.
- Prioritising the accounts' criticality.
- Checking risks versus operating processes.

As a result of this process, a scoping matrix of risks regarding financial information (ICFR Scoping Matrix) is updated on an annual basis. This Scoping Matrix is used to identify the material headings of the financial statements, assertions or goals of financial information with respect to which any risks may exist, and the prioritisation of operational processes that have an impact on financial information.

Assessment covers all the goals of financial information: (i) existence and occurrence; (ii) integrity; (iii) assessment; (iv) release and breakdown; and (v) rights and obligations.

Following the identification of potential risks, they are assessed on an annual basis based upon the management's information and understanding of the business and upon materiality criteria.

Assessment criteria are established (i) from a quantitative perspective in accordance with parameters such as turnover, size of assets and pre-tax profit; and, (ii) from a qualitative perspective in accordance with different issues such as transactions standardising and processes automation, composition of accounting headings, changes versus the previous year, complexity of accounting, likelihood of fraud or error or degree of use of estimates in book recording.

- **The existence of a process for identifying the scope of consolidation, taking into account, among other factors, the possible existence of complex corporate structures or special purpose vehicles.**

The Group relies on a Corporate Master of Companies wherein all the companies that are part of the Inditex Group are included. Said Master is at the basis of the consolidation perimeter and is managed and updated in accordance with the Procedure for Incorporating and Financing of Companies.

The Master covers, on the one hand, general corporate information, such as company name, accounting closing date and currency, and on the other, legal details such as the date of incorporation, share capital, list of shareholders, equity interest, and other relevant information. The Legal Department is responsible for updating the Master as regards legal information.

The External Reporting area, which reports to the Planning and Management Control Department, reviews and updates, on a monthly basis, the number of companies that make up the Consolidation Perimeter, as well as the consolidation methods that apply to each of the companies included in the above-mentioned perimeter.

- **Whether the process takes into account the effects of other types of risk (financial, geopolitical, technological, environmental, social and governance) to the extent that they affect the financial statements.**

In addition to the above-mentioned quantitative and qualitative factors, the main risks identified through the Risks Map of the Inditex Group are considered in the process for the assessment of financial information risks.

Potential risks identified through the ICFR Scoping Matrix are taken into account upon preparing the Risks Map of the Group, which is updated on an annual basis by the Enterprise Risks Management Department (reporting to the Financial Department) with the assistance of all areas of the Organisation involved in the process. The Group may thus consider the impact that the remaining risks classified in the following groups: financial, geopolitical, technological, environmental, social and governance risks, may have on financial statements.

- **The governing body within the company that oversees the process.**

The whole process is overseen and approved on an annual basis by the Audit and Compliance Committee.

F.3. Control activities

Report on whether the company has at least the following, describing their main characteristics:

F.3.1. Review and authorisation procedures for financial information and a description of the ICFR, to be disclosed to the securities markets, indicating those responsible, as well as documentation describing the flow of activity and controls (including those relating to the risk of fraud) of the various types of transactions that may materially affect the financial statements, including accounting closing procedures and the specific review of significant judgements, estimates, valuations and projections.

Pursuant to the Board of Directors' Regulations, the Audit and Compliance Committee is responsible, inter alia, for reviewing the annual accounts and the periodic information that the board of directors must submit to the markets and their supervisory bodies, verifying at all times compliance with statutory requirements and the appropriate use of generally accepted accounting principles upon drawing up such information.

Likewise, pursuant to the above-mentioned terms of reference, the Audit and Compliance Committee shall meet on a quarterly basis to review the periodic financial information that must be submitted or that the Company voluntarily submits to the Stock Exchanges authorities and the information that the board of directors must approve and release as its annual public documentation.

Furthermore, the ICFR Area monitors that the ICFR is effective and apprises the Financial Department and, where appropriate, the Audit and Compliance Committee, of the findings of this monitoring.

The Group relies on mechanisms to review financial information. Each of the organisational structures is responsible for reviewing the financial information reported. Analytical reviews of the financial information reported by said structures are carried out at corporate level. Prior to stating the annual accounts and approving the half-yearly financial statements, the Financial Department and the external auditor meet, for the purposes of reviewing and assessing the financial information.

The Audit and Compliance Committee submits this information to the board of directors, which is ultimately responsible for approving it before releasing it to the market.

The Group keeps its main business processes with ICRF scope duly documented. Each process is structured into a number of sub-processes, with their relevant flowcharts, including the proceedings that play a direct or indirect role on financial reporting.

These processes describe the controls that make it possible to respond appropriately to risks associated with the achievement of the objectives related to the reliability and integrity of the financial information, identifying any risks that may result in accounting fraud, so as to prevent, detect, reduce and correct the risk of any potential error way in advance. Each ICFR process has its scoping matrix of risks and controls associated, and they are separated between processes carried out at local level and at corporate level for the entire Group. Design of flowcharts, description of the different processes and sub-processes and identification of risks and controls is carried out with a process modelling software application.

This software application allows keeping the entire documentation relating to the Group's ICFR processes within a single environment, which results in streamlined processes, as flowcharts, narratives and scoping matrices of risk and control are integrated.

The ICFR monitoring model is implemented based upon a tool to manage and oversee internal control systems. In such tool, each control is assigned to an owner who carries them out with the defined frequency.

Each process is assigned to a process owner who assesses on a quarterly basis the effectiveness of controls and defines and updates the ICFR processes for which they are responsible.

The ICFR Area monitors on a quarterly basis the assessments made by processes owners about the effectiveness of controls. It also coordinates and encourages the periodic review of processes and controls design.

In addition, the ICFR Area is subject every year to an internal certification process whereby financial officers of the markets within the scope of ICFR monitoring, process owners and corporate directors of areas who take part in the process of preparation and monitoring of financial information certify that they have implemented the controls for which they are responsible.

With regard to closing, consolidation and reporting processes, the Financial Department issues the instructions together with the calendar and contents of the financial information to be reported by each of the local financial structures to draw up the consolidated financial statements.

Risks are identified in the ICFR's risk and controls matrix of the closing process, which includes controls relating to relevant opinions, estimates, assessments and projections.

F.3.2. Internal IT control policies and procedures (access security, control of changes, system operation, operational continuity and segregation of duties, among others) that support significant processes within the company relating to the preparation and publication of financial information.

The internal control framework of the Group's information systems seeks to set up controls over the main business processes, which are closely related to Information Technologies ("IT").

Based upon the link between business processes and associated systems, basic risks are reviewed, enabling the company to prioritise and focus on the IT environments that are deemed to be especially relevant.

Within the ICFR IT controls' framework defined by the Group, a number of general controls on applications are identified, including the following domains:

- Secure access to both applications and data.
- The application of logic and physical security measures
- Control and monitoring on changes in applications and their data.
- Environment segregation.
- Appropriate operation of applications.
- Continuity of applications.

It bears mention that design of such controls is reviewed on an annual basis for the purposes of implementing such changes, if necessary, which ensure that associated risks are appropriately mitigated. Following such review, amendments have been made in 2023 aimed at shoring up controls.

The implementation of ITGCs on the applications identified within the ICFR scope is monitored on an annual basis. As a general rule, the yardstick to identify applications within such scope is that they play a significant role in the preparation and monitoring of financial information.

The findings of such monitoring are reported to the Financial Department through the annual report assessing ICFR controls.

It bears mention that, in the process to design and implement applications and products, the Group has defined a methodological framework with different requirements aimed at ensuring that the solution implemented actually meets both the functions demanded by users and the security standards set out.

Likewise, the Group relies on contingency mechanisms and procedures, which have been defined to ensure recovery of information systems in case of lack of availability.

In 2023, the Information Security Committee has met on a quarterly basis. Said Committee is charged with ensuring the effective and consistent enforcement of best practices regarding information security management across the organisation, reducing risks affecting security to the minimum, taking into account the company's business.

The following officers sit on the Information Security Committee::

- The CEO.
- The General Counsel and Secretary of the Board
- The Chief Digital Officer
- The Chief Information Security Officer (CISO)
- The CFO
- The Chief Compliance Officer
- The Data Protection Officer (DPO), and
- The Chief Audit Officer (CAO), in an advisory capacity.

The Information Security Policy sets forth the principles and guidelines whereby Inditex will protect its information, pursuant to applicable regulations and its ethical values defined in the Code of Conduct as well as the provisions of the Regulations of the Information Security Committee and of any other applicable internal regulations.

The overarching principles that inform the Policy are:

(i) classification of information, in accordance with its value, relevance and criticality for the business;

(ii) limited use of information systems to lawful and exclusively professional purposes;

(iii) segregation of duties to avoid risks;

(iv) setting retention periods by information category, where necessary or convenient;

(v) setting monitoring procedures to control how information is made available to third parties;

(vi) security in Information Systems;

(vii) setting a process for continuity management to ensure recovery of critical Information for the Group in the event of disaster; and

(viii) alignment of Information Systems and communications of the Group with the requirements of applicable laws and regulations..

The Information Security Department performs its monitoring duties in an independent manner and is responsible for implementing the Policy and monitoring compliance therewith, and with all requirements arising from applicable laws, regulations and best practices in the field of Information Security. In addition to the Information Security Policy, the CISO's Charter seeks to define the framework for action, the competences and the internal and external responsibilities of the Information Security function.

Likewise, the Cybersecurity Advisory Committee has been formed in 2023. It is a permanent consulting and advisory body, made up of external independent members specialising in the field of information security. Its mission is to enhance the decision-making and drive the strategy of the company in the field of cybersecurity.

F.3.3. Internal control policies and procedures for overseeing the management of activities subcontracted to third parties, as well as of those aspects of assessment, calculation or valuation entrusted to independent experts, which may materially affect financial statements.

Included in the ICFR processes are controls on calculations made by third parties and on the criteria used for the purposes of mitigating the risks that might impact financial information.

Outsourced services are commissioned by the heads of the relevant areas, ensuring the technical and legal qualifications, capacity and independence of the experts hired.

F.4. Information and communication

Report on whether the company has at least the following, describing their main characteristics::

F.4.1. A specifically assigned function for defining and updating accounting policies (accounting policy area or department) and addressing concerns or conflicts arising from their interpretation, maintaining a free flow of information to those responsible for operations in the organisation, as well as an up-to-date accounting policy manual distributed to the business units through which the company operates..

Within the Planning and Management Control Department, the External Reporting area is responsible for drawing up, disclosing, implementing and updating the Group's Manual on Accounting Policies. With regard to the Group's accounting policies, this area is responsible for, inter alia:

- Defining the accounting treatment of the transactions that make up the business of the Group.
- Defining and updating the accounting practices of the Group.
- Addressing concerns and conflicts arising from the construction of accounting standards.
- Standardising the accounting practices of the Group.

The Manual covers the different transactions inherent in the Groups' business and their accounting treatment in accordance with the benchmark accounting framework of the Inditex Group.

The Manual is regularly updated. As part of these updating procedure, the External Reporting area includes all accounting changes identified that were advanced to those in charge of drawing up the financial statements.

The Manual is available on the Company's INET.

F.4.2. Mechanisms for capturing and preparing financial information in standardised formats for application and use by all units of the entity or group, and support its main financial statements and notes, as well as disclosures concerning ICFR.

The process of consolidating and preparing financial statements is centralised and is incumbent on the External Reporting area, which reports to the Planning and Management Control Department.

Drawing up the consolidated financial information begins with the addition of individual financial statements of each company included in the consolidation perimeter, to be subsequently consolidated based upon the accounting regulations of the Group.

Financial information reported to CNMV is prepared based upon consolidated financial statements gathered and upon certain supplementary information reported by the markets, required to prepare the annual/half-yearly report. Contemporaneously, certain specific controls are exerted to confirm integrity of said information.

The board of directors approved on 14 December 2020 the Policy on Disclosure of Economic-Financial, Non-Financial and Corporate Information that seeks to establish a framework for action and define the overarching principles that will govern disclosure by the Company of economic-financial, non-financial and corporate information via regulated and non-regulated channels.

Under said Policy, the board of directors, as the highest supervisory body responsible for overseeing economic-financial, non-financial and corporate information, shall ensure the broadest circulation and the highest quality of the information provided to the stakeholders, in accordance with a set of principles that include transparency, objectivity, accuracy, immediacy and symmetry in disclosure of information.

F.5. Supervision of the system's operation

Give information on the key features of at least:

F.5.1. The activities of the audit committee in overseeing ICFR as well as whether there is an internal audit function one of the responsibilities of which is to provide support to the committee in its task of supervising the internal control system, including ICFR. Additionally, describe the scope of ICFR assessment made during the year and the procedure through which the person responsible for performing the assessment communicates its results, whether the company has an action plan detailing possible corrective measures, and whether their impact on financial reporting has been considered.

With regard to the evaluation of ICFR and the procedure set to disclose its results, the ICFR area monitors on a quarterly basis, via the owners of processes with an impact on financial information, the implementation of controls, requesting and reviewing a sample of evidence from the owners of each control.

As a result of such monitoring, areas for improvement are identified and they are assigned an action plan to remedy them. Follow up ensues to ensure the fulfilment of such action plan.

Likewise, the ICFR area issues on a quarterly basis a report with the findings of each control, the main action lines followed in the quarter and the incidences identified. Such reports are submitted to the Financial Department, the heads of financial departments and the Internal Audit Department.

In 2023 and specifically regarding ICFR oversight activities, the Audit and Compliance Committee has carried out the following proceedings, without limitation:

- It has reviewed the consolidated annual accounts of the Group and the periodic quarterly and half-yearly financial information that the Board of Directors has to provide (or which it voluntarily provides) to the markets and its supervisory bodies, overseeing compliance with statutory requirements and the appropriate application of the generally accepted accounting principles upon drafting this information.

- As part of its oversight duties regarding the Internal Audit function, it has approved its annual activities report, as well as its budget and the annual internal audit plan that includes specific audits on ICFR processes, pursuant to a multi-year plan set.

- It has reviewed the annual audit plan of external auditors that includes the audit objectives based upon the evaluation of risks of financial information and the main areas of interest or significant transactions subject to review in the year, including those areas where a strategy of trust in controls exists.

- It has reviewed with the external auditor and with Internal Audit the internal control weaknesses revealed, where appropriate, in the course of the different audit and review assignments. Meanwhile, both external auditors and Internal Audit have regularly advised the Audit and Compliance Committee on the degree of enforcement of recommendations resulting from these assignments.

- It has met regularly with other corporate departments of the Inditex Group for the purposes of overseeing the effectiveness of internal control systems of the Group, including ICFR, verifying their suitability and integrity and the degree of implementation of action plans to meet audit recommendations.

Internal Audit is a corporate function directly linked to the board of directors, which ensures its full independence in the performance of its activities. Internal Audit functionally reports to the Audit and Compliance Committee.

The area is centrally managed from headquarters and has representatives in the geographic areas where the presence of the Inditex Group so requires. Additionally, it is divided into specialised areas, which allows for gaining a deep understanding of risks and processes.

Internal Audit's budget is approved on an annual basis by the Audit and Compliance Committee, which provides for the human and material assets, both internal and external of the Internal Audit Department.

The mission of the Internal Audit function consists, inter alia, of assessing risk exposure and the suitability and effectiveness of controls in respect of risks identified and namely, those related to reliability and integrity of financial and operational information.

Based upon the ICFR Scoping Matrix, Internal Audit drafts a multi-year plan for the regular review of ICFR of the Group, which is submitted to the Audit and Compliance Committee for approval every year.

This multi-year plan entails conducting ICFR reviews of the significant processes and elements of the Group's financial statements. Review priorities are set based upon the risks identified. This plan is implemented through annual planning that determines the scope of the annual ICFR reviews. The suitability of this plan is reviewed every year, further to the update of the process to identify and assess financial information risks. Additionally, annual planning include compliance with the provisions of current internal corporate policies, including the ICFR Policy.

Namely, the following issues are subject to review: the design and effective operation of key transactional controls and general ITGC on the main software tools involved in financial reporting, as well as the review of the general control environment.

To carry out its activities, Internal Audit uses different audit techniques, mainly interviews, analytical reviews, specific control tests, reviewing both the appropriateness of design and the effective operation thereof, review of the effectiveness of software tools and material tests.

The results of the assignments, together with the corrective measures proposed, where appropriate, are reported to the Financial Department and the Audit and Compliance Committee. Internal Audit follows up on the implementation of these measures, which is then reported to the Audit and Compliance Committee.

F.5.2. Whether there is a discussion procedure whereby the auditor (as defined in the Spanish Technical Audit Standards), the internal auditor and other experts can report to senior management and the audit committee or directors of the company any significant weaknesses in internal control identified during the review of the annual financial statements or any others they have been assigned. Additionally, state whether an action plan is available for correcting or mitigating any weaknesses detected.

Internal Audit regularly discloses to the Financial Department and the Audit and Compliance Committee the internal control weaknesses identified in the reviews carried out, as well as the follow-up on the action plans set out to settle or reduce them.

In turn, external auditors meet regularly with the Financial Department and Internal Audit, both to gather information and to disclose any potential control weaknesses that may have been revealed, where appropriate, in the course of their work.

At its meetings, the Audit and Compliance Committee considers the potential weaknesses in control that might have an impact on financial statements, requesting, where appropriate, from the affected areas, the necessary information to assess any effects on the financial statements.

Section 45.5 of the Board of Directors' Regulations provides that: *"The Board of Directors shall ensure that the annual accounts are drawn up in accordance with accounting standards, striving for them to be drafted in such a manner that they do not give rise to qualifications on the part of the auditor. However, in the exceptional circumstances where the auditor expresses a qualified opinion and the Board of Directors considers that it must stick to its position, it shall publicly explain the contents and scope of the discrepancy. The foregoing without prejudice to the information that the Chair of the Audit and Compliance Committee would make available to the shareholders at the General Meeting of Shareholder"*

To meet the provisions of section 45.5 above-mentioned, any discussions or differing views that may exist are advanced at the meetings of the Audit and Compliance Committee with external auditors. In turn, external auditors report, where appropriate, on the main internal control issues that need to be improved that have been identified as a result of their work. Additionally,the management reports on the degree of implementation of the relevant action plans set in train to correct or reduce the issues identified.

Meanwhile, the Audit and Compliance Committee meets with the statutory auditors of the individual and consolidated annual accounts for the purposes of reviewing on the one hand the Group's annual account, and on the other, certain periodic financial information that the board of directors must provide to the market and its supervisory bodies, overseeing compliance with statutory requirements and the appropriate enforcement of generally accepted accounting principles upon preparing such information.

Moreover, the Committee regularly receives from the statutory auditor information on the audit plan and the results of its implementation, follows up on the recommendations proposed by the statutory auditor and may request its collaboration whenever this is deemed necessary.

On the other hand, in accordance with best practices, the Committee meets at least once a year with external auditors, without any member of the management being present. In 2023, the Audit and Compliance Committee has met twice with external auditors: on 13 March and 11 September.

In 2023 members of the Internal Audit function were in attendance at 6 of the 7 meetings held by the Audit and Compliance Committee and external auditors were in attendance at 4 of them.

F.6. Other relevant information

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F.7. External auditor's report

Report:

F.7.1. Whether the ICFR information sent to the markets has been subjected to review by the external auditor, in which case the entity should include the corresponding report as an attachment. If not, reasons why should be given.

The information on ICFR included in this section F of the Annual Corporate Governance Report for 2023 and prepared by the Group's Management is reviewed by the external auditors.

G. Degree of compliance with corporate governance recommendations

Specify the company's degree of compliance with recommendations of the Good Governance Code of listed companies.

In the event that a recommendation is not followed or only partially followed, a detailed explanation of the reasons must be included so that shareholders, investors and the market in general have enough information to assess the company´s conduct. General explanations are not acceptable.e.

1. That the articles of association of listed companies should not limit the maximum number of votes that may be cast by one shareholder or contain other restrictions that hinder the takeover of control of the company through the acquisition of its shares on the market..

Complies x Explain

2. That when the listed company is controlled by another entity within the meaning of section 42 of the Commercial Code, whether listed or not, and has, directly or through its subsidiaries, business relations with said entity or any of its subsidiaries (other than the listed company) or carries out activities related to those of any of them it should make accurate public disclosures on:

- The respective areas of activity and possible business relationships between the listed company or its subsidiaries and the parent company or its subsidiaries..
- The mechanisms in place to resolve any conflicts of interest that may arise.

Complies x Complies partially Explain

3. That, during the Annual General Meeting, as a complement to the distribution of the written annual corporate governance report, the chairman of the Board of Directors should inform shareholders orally, in sufficient detail, of the most significant aspects of the company's corporate governance, and in particular:

- Changes that have occurred since the last Annual General Meeting.
- Specific reasons why the company has not followed one or more of the recommendations of the Code of Corporate Governance and the alternative rules applied, if any

Complies x Complies partially Explain

4. That the company should define and promote a policy on communication and contact with shareholders and institutional investors, within the framework of their involvement in the company, and with proxy advisors that complies in all aspects with rules against market abuse and gives equal treatment to shareholders who are in the same position. And that the company should publish this policy on its website, including information on how it has been put into practice and identifying the contact persons or those responsible for implementing it.

And that, without prejudice to the legal obligations regarding dissemination of inside information and other types of regulated information, the company should also have a general policy regarding the communication of economic-financial, non-financial and corporate information through any channels that as it may consider appropriate (media, social media or other channels) that helps maximise the dissemination and quality of information available to the market, investors and other stakeholders..

Complies x Complies partially Explain

5. That the Board of Directors should not submit to the General Meeting of Shareholders any proposal for delegation of powers allowing the issue of shares or convertible securities with the exclusion of pre-emptive rights in an amount exceeding 20% of the capital at the time of delegation.

And that whenever the Board of Directors approves any issue of shares or convertible securities with the exclusion of pre-emptive rights, the company should immediately publish the reports mentioned by company law on its website.

Complies x Complies partially Explain

6. That listed companies that prepare the reports listed below, whether under a legal obligation or voluntarily, should publish them on their website well in advance of the Annual General Meeting, even if their publication is not mandatory:

- Report on auditor independence..
- Reports on the proceedings of the audit and nomination and remuneration committees

- Report by the audit committee on related party transactions.

Complies x Complies partially Explain

7. That the company should broadcast its Annual General Meeting live on its website

And that the company should have mechanisms in place allowing to grant proxy and to cast votes by means of data transmission and even, in the case of large-caps and to the extent that it is proportionate, attendance and active participation in the General Meeting to be conducted by said remote means

Complies x Explain

8. That the audit committee should ensure that the financial statements submitted to the General Meeting of Shareholders are prepared in accordance with accounting regulations. And that in cases in which the auditor has included a qualification or reservation in its audit report, the chairman of the audit committee should clearly explain to the general meeting the opinion of the audit committee on its content and scope, making a summary of this opinion available to shareholders at the time when the meeting is called, alongside the other Board proposals and reports.

Complies x Complies partially Explain

9. That the company should permanently publish on its website the requirements and procedures for certification of share ownership, the right of attendance at the General Meeting of Shareholders, and the exercise of the right to vote or to issue a proxy.

And that these requirements and procedures promote attendance and the exercise of shareholder rights in a non-discriminatory manner..

Complies x Complies partially Explain

10. That when a duly authenticated shareholder has exercised his or her right to supplement the agenda or submit new proposals for resolutions in advance of the General Meeting of Shareholders, the company should:

- immediately distribute the supplementary items and new proposals for resolutions.
- publish the standard form of attendance card or the form to vote by proxy or cast absentee voting with the necessary changes so that the new agenda items and alternative proposals may be voted on in the same terms as those proposed by the Board of Directors.
- put all these items or alternative proposals to the vote applying the same voting rules as for those submitted by the board of directors, with particular regard to presumptions or deductions about the direction of votes.
- after the General Meeting of Shareholders, disclose the breakdown of votes on said supplementary items or alternative proposals.

Complies x Complies partially Explain Not applicable

11. That if the company intends to pay premiums for attending the General Meeting of Shareholders, it should establish in advance a general policy on said premiums and this policy should be stable..

Complies Complies partially Explain Not applicable x

12. That the board of directors should perform its functions with a unity of purpose and independence of criterion, treating all similarly situated shareholders equally and being guided by the best interests of the company, which is understood to mean the pursuit of a profitable and sustainable business in the long term, promoting its continuity and maximising the economic value of the business..

And that in pursuit of the company's interest, in addition to complying with applicable law and rules and conducting itself on the basis of good faith, ethics and a respect for commonly accepted best practices, it should seek to reconcile its own company interests, when appropriate, with the interests of its employees, suppliers, customers and other stakeholders that may be affected, as well as the impact of its corporate activities on the communities in which it operates and on the environment..

Complies x Complies partially Explain

13. That the Board of Directors should be of an appropriate size to perform its duties effectively and in a collegial manner, which makes it advisable for it to have between five and fifteen members..

Complies x Explain

14. That the Board of Directors should approve a policy aimed at encouraging an appropriate composition of the Board and that::

- Is specific and ascertainable;

- Ensures that motions for appointment or re-election are based upon a prior analysis of the needs of the board of directors; and
- Favours diversity of knowledge, experience, age and gender. For these purposes, it is considered that the measures that encourage the company to have a significant number of female senior executives favour gender diversity.

That the result of the prior analysis of the competences required by the board of directors are written up in the explanatory report from the nomination committee published upon calling the Annual General Meeting to which the ratification, appointment or re-election of each director is submitted.

The nomination committee shall verify annually compliance with this policy and explain its findings in the annual corporate governance report.

Complies x Complies partially Explain

15. That proprietary and independent directors should constitute a substantial majority of the board of directors and that the number of executive directors be kept to a minimum, taking into account the complexity of the corporate group and the ownership interest of executive directors.

And that the number of female directors should represent at least 40% of the members of the Board of Directors before the end of 2022 and thereafter, and not less than 30% prior to that date.

Complies x Complies partially Explain

16. That the number of proprietary directors out of all non-executive directors should not be greater than the proportion of the company's share capital represented by those directors and the rest of the capital.

This yardstick may be relaxed:

- In large-cap companies where very few shareholdings are legally considered significant.
- In the case of companies where a plurality of shareholders is represented on the board of directors without ties among them.

Complies x Explain

17. That the number of independent directors should represent at least half of the total number of directors.

That, however, when the company does not have a high level of market capitalisation or in the event that it is a large-cap company with one shareholder or a group of shareholders acting in concert who together control more than 30% of the company's share capital, the number of independent directors should represent at least one third of the total number of directors.

Complies x Explain

18. That companies should publish the following information on its directors on their website, and keep it regularly updated:

- Professional experience and biography.
- Any other boards to which the directors belong, regardless of whether or not the companies are listed, as well as any other remunerated activities engaged in, regardless of type.
- Directorship type, indicating, in the case of individuals who represent significant shareholders, the shareholder that they represent or to which they are connected.
- Date of their first appointment as a director of the company's board of directors, and any subsequent re-elections.
- Company shares and share options that they own.

Complies x Complies partially Explain

19. That the annual corporate governance report, following verification by the nomination committee, should explain the reasons for the appointment of any proprietary directors on the proposal of shareholders whose holding is less than 3%. It should also explain, where applicable, any rejection of a formal request for a board position from shareholders whose equity stake is equal to or greater than that of others applying successfully for a proprietary directorship.

Complies Complies partially Explain Not applicable x

20. That proprietary directors representing significant shareholders should resign from the board when the shareholder they represent disposes of its entire shareholding. They should also resign, in a proportional fashion, in the event that said shareholder reduces its stake to a level that requires a decrease in the number of proprietary directors.

Complies x Complies partially Explain Not applicable

21. That the board of directors should not propose the removal of any independent director before the completion of the director's term provided for in the articles of association unless the Board of Directors finds just cause and a prior report has been prepared by the nomination committee. Specifically, just cause is considered to exist if the director takes on new duties or commits to new obligations that would interfere with his or her ability to dedicate the time necessary for attention to the duties inherent to his or her position as a director, are in breach of their fiduciary duty, or is affected by any of the circumstances that would cause the loss of independent status in accordance with applicable law.

The removal of independent directors may also be proposed as a result of a public takeover bid, merger or other similar corporate transaction entailing a change in the shareholder structure of the company, provided that these changes in the structure of the Board are the result of application of the proportionate representation criterion provided in Recommendation 16.

Complies x Explain

22. That companies should establish rules requiring that directors inform the Board of Directors and, where appropriate, resign from their posts, when circumstances arise that affect them, whether or not related to their actions in the company itself, and that may harm the company's standing and reputation, and in particular requiring them to inform the board of any criminal charges brought against them as well as of how the legal proceedings subsequently unfold..

And that, if the board is informed or becomes aware in any other manner of any of the circumstances mentioned above, it must examine the case as quickly as possible and, depending on the specific circumstances, decide, based on a report from the nomination and remuneration committee, whether or not any measure must be adopted, such as the opening of an internal investigation, asking the director to resign or proposing that he or she be dismissed. And that these events must be reported in the annual corporate governance report, unless there are any special reasons not to do so, which must also be noted in the minutes. This without prejudice to the information that the company must disclose, if appropriate, at the time when the corresponding measures are implemented..

Complies x Complies partially Explain

23. That all directors clearly express their opposition when they consider any proposal submitted to the board of directors to be against the company's interests. This particularly applies to independent directors and directors who are unaffected by a potential conflict of interest if the decision could be detrimental to any shareholders not represented on the board of directors.

Furthermore, when the board of directors makes significant or repeated decisions about which the director has serious reservations, the director should draw the appropriate conclusions and, in the event the director decides to resign, explain the reasons for this decision in the letter mentioned in the next recommendation..

This recommendation also applies to the secretary of the Board of Directors, even if he or she is not a director

Complies x Complies partially Explain

24. That whenever, due to resignation or resolution of the General Meeting of Shareholders, a director leaves before the completion of his or her term of office, the director should explain the reasons for this decision, or in the case of non-executive directors, their opinion of the reasons for the general meeting resolution, in a letter addressed to all members of the board of directors.

And that, without prejudice to all this being reported in the annual corporate governance report, as far as it is relevant to investors, the company should publish an announcement of the departure as rapidly as possible, with sufficient reference to the reasons or circumstances provided by the direct.

Complies x Complies partially Explain

25. That the nomination committee should make sure that non-executive directors have sufficient time available in order to properly perform their duties.

And that the Board regulations establish the maximum number of company boards on which directors may sit.

Complies x Complies partially Explain

26. That the board of directors meet frequently enough to be able to effectively perform its duties, and at least eight times per year, following a schedule of dates and agendas established at the beginning of the year and allowing each director individually to propose other items that do not originally appear on the agenda.

Complies x Complies partially Explain

27. That director absences occur only when absolutely necessary and be quantified in the annual corporate governance report. And when absences do occur, that the director appoint a proxy with instructions.

Complies x Complies partially Explain

28. That when directors or the secretary express concern regarding a proposal or, in the case of directors, regarding the direction in which the company is headed and said concerns are not resolved by the board of directors, these concerns should be included in the minutes at the request of the director expressing them.

Complies x Complies partially Explain Not applicable

29. That the company should establishes adequate means for directors to obtain appropriate advice in order to properly fulfil their duties including, should circumstances warrant, external advice at the company's expense.

Complies x Complies partially Explain

30. That, without regard to the knowledge necessary for directors to complete their duties, companies make refresher courses available to them when circumstances make this advisable

Complies x Complies partially Explain

31. That the agenda for meetings should clearly indicate those matters on which the board of directors is to make a decision or adopt a resolution so that the directors may study or gather all relevant information ahead of time.

When, under exceptional circumstances, the chairman wishes to bring urgent matters for decision or resolution before the board of directors that do not appear on the agenda, the prior express agreement of a majority of the directors shall be required, and said consent shall be duly recorded in the minutes.

Complies x Complies partially Explain

32. That directors be periodically informed of changes in shareholding and of the opinions of significant shareholders, investors and rating agencies of the company and its group.

Complies x Complies partially Explain

33. That the chairman, as the person responsible for the efficient workings of the board of directors, in addition to carrying out the duties assigned by law and the articles of association, should prepare and submit to the board of directors a schedule of dates and matters to be considered; organise and coordinate the periodic evaluation of the board as well as, where applicable, the chief executive of the company, should be responsible for leading the board and the effectiveness of its work; ensuring that sufficient time is devoted to considering strategic issues, and approve and supervise refresher courses for each director when circumstances make this advisable.

Complies x Complies partially Explain

34. That when there is a lead independent director, the articles of association or Board regulations should confer upon him or her the following powers in addition to those conferred by law: to chair the board of directors in the absence of the chairman and deputy chairmen, should there be any; to reflect the concerns of non-executive directors; to liaise with investors and shareholders in order to understand their points of view and respond to their concerns, in particular as those concerns relate to corporate governance of the company; and to coordinate a succession plan for the chairman.

Complies x Complies partially Explain Not applicable

35. That the secretary of the board of directors should pay special attention to ensure that the activities and decisions of the board of directors take into account the recommendations regarding good governance contained in the Good Governance Code as may be applicable to the company.

Complies x Explain

36. That the board of directors meets in plenary session once a year and adopt, where appropriate, an action plan to correct any deficiencies detected in the following:

- Quality and efficiency of the proceedings of the board.
- Proceedings and composition of its committees.
- Diversity of board membership and competences.
- Performance of the chairman of the board of directors and of the chief executive officer of the company.
- Performance and input of each director, paying special attention to those in charge of the various board committees.

In order to perform its evaluation of the various committees, the Board of Directors shall take a report from the committees themselves as a starting point and for the evaluation of the Board, a report from the nomination committee..

Every three years, the Board of Directors will turn for its evaluation to an external advisor, whose independence shall be verified by the nomination committee.

Business relationships between the external adviser or any member of the adviser's group and the company or any company within its group must be specified in the annual corporate governance report.

The process and the areas evaluated must be described in the annual corporate governance report.

Complies x   Complies partially   Explain

37. That if there is an executive committee, it must contain at least two non-executive directors, at least one of whom must be independent, and its secretary must be the secretary of the Board

Complies x   Complies partially   Explain   Not applicable

38. That the board of directors must always be aware of the matters discussed and decisions taken by the executive committee and that all members of the board of directors receive a copy of the minutes of meetings of the executive committee..

Complies x   Complies partially   Explain   Not applicable

39. That all members of the audit committee, in particular its chairman, be appointed in consideration of their knowledge and experience in accountancy, audit and risk management issues, both financial and non-financial..

Complies x   Complies partially   Explain   Not applicable

40. That under the supervision of the audit committee, there should be a unit in charge of the internal audit function, which ensures that information and internal control systems operate correctly, and which reports to the non-executive chairman of the board or of the audit committee.

Complies x   Complies partially   Explain   Not applicable

41. That the person in charge of the unit performing the internal audit function should present an annual work plan to the audit committee, for approval by that committee or by the board, reporting directly on its execution, including any incidents or limitations of scope, the results and monitoring of its recommendations, and present an activity report at the end of each year.

Complies x   Complies partially   Explain   Not applicable

42. That in addition to the provisions of applicable law, the audit committee should be responsible for the following:

1) With regard to information systems and internal control:

a) Overseeing and evaluating the process of preparation and the completeness of financial and non-financial information, as well as the control and management systems for financial and non-financial risk relating to the company and, where applicable, the group -including operational , technological, legal, social, environmental, political and reputational risk, or risk related to corruption- reviewing compliance with regulatory requirements, the appropriate delimitation of the scope of consolidation and the correct application of accounting criteria.

b) Ensuring the independence of the unit charged with the internal audit function; proposing the selection, appointment and dismissal of the head of internal audit; proposing the budget for this service; approving or proposing its orientation and annual work plans for approval by the Board, making sure that its activity is focused primarily on material risks (including reputational risk); receiving periodic information on its activities; and verifying that senior management takes into account the conclusions and recommendations of its reports

c) Establishing and overseeing a mechanism that allows employees and other persons related to the company, such as directors, shareholders, suppliers, contractors or subcontractors, to report any potentially serious irregularities, especially those of a financial or accounting nature, that they observe in the company or its group. This mechanism must guarantee confidentiality and in any case provide for cases in which the communications can be made anonymously, respecting the rights of the whistleblower and the person reported.

d) Generally ensuring that internal control policies and systems are effectively applied in practice

2) With regard to the external auditor:

a) In the event that the external auditor resigns, examining the circumstances leading to their resignation.

b) Ensuring that the remuneration paid to the external auditor for its work does not compromise the quality of the work or the auditor's independence..

c) Making sure that the company informs the CNMV of the change of auditor, along with a statement on any differences that arose with the outgoing auditor and, where applicable, the contents thereof.

d) Ensuring that the external auditor holds an annual meeting with the Board of Directors in plenary session in order to make a report regarding the tasks performed and the development of the company's accounting situation and risks..

e) Ensuring that the company and the external auditor comply with applicable rules regarding the provision of services other than auditing, limits on the concentration of the auditor's business, and, in general, all other rules regarding auditors' independence.

Complies x Complies partially Explain

43.That the audit committee be able to require the presence of any employee or manager of the company, even stipulating that he or she appear without the presence of any other member of management..

Complies x Complies partially Explain

44. That the audit committee be kept abreast of any corporate and structural changes planned by the company in order to perform an analysis and draw up a prior report to the Board of Directors on the economic conditions and accounting implications and, in particular, any exchange ratio involved.

Complies x Complies partially Explain Not applicable

45. That the risk management and control policy identify or determine, as a minimum:

a) The various types of financial and non-financial risks (including operational, technological, legal, social, environmental, political and reputational risks and risks relating to corruption) that the company faces, including among the financial or economic risks contingent liabilities and other off-balance sheet risks.

b) An enterprise risk management model based on different levels, which will include a specialised risk committee when sector regulations so require, or the company considers it to be appropriate..

c) The level of risk that the company considers to be acceptable.

d) Measures in place to mitigate the impact of the risks identified in the event that they should materialise.

e) Internal control and information systems to be used in order to control and manage the aforementioned risks, including contingent liabilities or off-balance sheet risks.

Complies x Complies partially Explain

46. That under the direct supervision of the audit committee or, where applicable, of a specialised committee of the Board of Directors, an internal risk control and management function should exist, performed by an internal unit or department of the company that is expressly charged with the following responsibilities:

a) Ensuring the proper functioning of the enterprise risk management systems and, in particular, that they adequately identify, manage and quantify all material risks affecting the company.

b) Actively participating in drawing up the risk strategy and in important decisions regarding risk management.

c) Ensuring that the enterprise risk management systems adequately mitigate risks as defined by the policy set forth by the Board of Directors.

Complies x Complies partially Explain

47. That in designating the members of the nomination and remuneration committee–or of the nomination committee and the remuneration committee if they are separate–efforts are made to ensure that they have the knowledge, skills and experience appropriate to the functions that they are called upon to perform and that the majority of said members are independent directors.

Complies x Complies partially Explain

48. That large-cap companies have separate nomination and remuneration committees.

Complies x Complies partially Explain

49. That the nomination committee consult with the chairman of the Board of Directors and the chief executive of the company, especially in relation to matters concerning executive directors.

And that any director be able to ask the nomination committee to consider potential candidates that he or she considers suitable to fill a vacancy on the board of directors

Complies x Complies partially Explain

50. That the remuneration committee operates independently and that, in addition to the functions it has been assigned by statute, it should be responsible for the following:

a) Proposing to the board of directors the basic terms and conditions of employment for senior management.

b) Verifying compliance with the company's remuneration policy.

c) Periodically reviewing the remuneration policy applied to directors and senior managers, including share-based remuneration systems and their application, as well as ensuring that their individual remuneration is proportional to that received by the company's other directors and senior managers.

d) Making sure that potential conflicts of interest do not undermine the independence of external advice given to the committee.

e) Verifying the information on remuneration of directors and senior managers contained in the various corporate documents, including the annual report on director remuneration.

Complies x Complies partially Explain

51. That the remuneration committee should consult with the chairman and the chief executive of the company, especially on matters relating to executive directors and senior management.

Complies x Complies partially Explain

52. That the rules on membership and proceedings of the supervision and control committees should appear in the regulations of the Board of Directors and that they should be consistent with those applying to legally mandatory committees in accordance with the foregoing recommendations, including:

a) That they be composed exclusively of non-executive directors, with a majority of independent directors

b) That their chairpersons be independent directors.

c) That the board of directors appoints members of these committees taking into account their knowledge, skills and experience and the duties of each committee; discuss their proposals and reports; and require them to render account of their activities and of the work performed in the first plenary session of the Board of Directors held after each committee meeting.

d) That the committees be allowed to avail themselves of outside advice when they consider it necessary to perform their duties.

e) That their meetings be recorded and their minutes be made available to all directors.

Complies x Complies partially Explain Not applicable

53. That verification of compliance with the company's policies and rules on environmental, social and corporate governance matters, and with the internal codes of conduct be assigned to one or divided among more than one committee of the Board of Directors, which may be the audit committee, the nomination committee, a specialised committee on sustainability or corporate social responsibility or any other specialised committee that the Board of Directors, in the exercise of its powers of self-organisation, may have decided to create. And that this committee be composed exclusively of non-executive directors, with a majority of these being independent directors, and that the minimum functions indicated in the next recommendation be specifically assigned to it.

Complies x Complies partially Explain

54. The minimum functions mentioned in the foregoing recommendation are the following:

a) Monitoring compliance with the company’s internal codes of conduct and corporate governance rules, also ensuring that the corporate culture is aligned with its purpose and values.

b) Monitoring the application of the general policy on disclosure of economic and financial information, non-financial and corporate information and communication with shareholders and investors, proxy advisors and other stakeholders. The manner in which the entity communicates and handles relations with small and medium-sized shareholders must also be monitored.

c) The periodic evaluation and review of the company’s corporate governance system, and environmental and social policy, with a view to ensuring that they fulfil their purposes of promoting the interests of society and take account, as appropriate, of the legitimate interests of other stakeholders

d) Oversee the company's environmental and social practices to ensure that they are in alignment with the established strategy and policy.

e) Oversee and evaluate the company's interaction with its different stakeholders..

Complies x Complies partially Explain

55. That environmental and social sustainability policies identify and include at least the following:

a) The principles, commitments, objectives and strategy relating to shareholders, employees, customers, suppliers, social issues, the environment, diversity, tax responsibility, respect for human rights, and the prevention of corruption and other unlawful conduct.

b) Means or systems for monitoring compliance with these policies, their associated risks, and management.

c) Mechanisms for supervising non-financial risk, including that relating to ethical aspects and aspects of business conduct.

d) Channels of communication, participation and dialogue with stakeholders..

e) Responsible communication practices that impede the manipulation of data and protect integrity and honour.

Complies x Complies partially Explain

56. That director remuneration be sufficient in order to attract and retain directors who meet the desired professional profile and to adequately compensate them for the dedication, qualifications and responsibility demanded of their posts, while not being so excessive as to compromise the independent judgement of non-executive directors.

Complies x Explain

57. That only executive directors should receive variable remuneration linked to corporate results and personal performance, as well as remuneration in the form of shares, options or rights to shares or instruments referenced to the share price and long-term savings plans, such as pension plans, retirement schemes or other provident schemes.

Consideration may be given to delivering shares to non-executive directors as remuneration providing this is conditional upon their holding them until they cease to be directors. The foregoing shall not apply to shares that the director may need to sell in order to meet the costs related to their acquisition.

Complies x Complies partially Explain

58. That as regards variable remuneration, remuneration policies should incorporate the necessary limits and technical safeguards to ensure that this remuneration is in line with the professional performance of its beneficiaries and not based solely on general developments in the markets or in the sector in which the company operates, or other similar circumstances.

And, in particular, that variable remuneration components:

a) Are linked to pre-determined and measurable performance criteria and that said criteria take into account the risk incurred to achieve a given result.

b) Promote the sustainability of the company and include non-financial criteria that are geared towards creating long term value, such as compliance with the company's rules and internal operating procedures and with its risk management and control policies.

c) Are based on balancing the attainment of short-, medium- and long-term objectives, so as to allow remuneration of continuous performance over a period long enough to be able to assess its contribution to the sustainable creation of value, in such a way that the elements used to measure performance are not associated only with one-off, occasional or extraordinary events.

Complies x Complies partially Explain Not applicable

59. That the payment of variable remuneration components be subject to sufficient verification that previously established performance or other conditions have effectively been met. Entities must include in their annual report on director remuneration the criteria for the time required and methods used for this verification depending on the nature and characteristics of each variable component.

That, additionally, companies consider the inclusion of a reduction ('malus') clause for the deferral of the payment of a portion of variable remuneration components that would imply their total or partial loss if an event were to occur prior to the payment date that would make this advisable.

Complies x Complies partially Explain Not applicable

60. That remuneration related to company results should take into account any reservations that might appear in the external auditor's report and that would diminish said results.

Complies x Complies partially Explain Not applicable

61. That a material portion of executive directors' variable remuneration be linked to the delivery of shares or financial instruments referenced to the share price.

Complies x Complies partially Explain Not applicable

62. That once shares or options or financial instruments have been allocated under remuneration schemes, executive directors be prohibited from transferring ownership or exercising options or rights until a term of at least three years has elapsed.

An exception is made in cases where the director has, at the time of the transfer or exercise of options or rights, a net economic exposure to changes in the share price for a market value equivalent to at least twice the amount of his or her fixed annual remuneration through the ownership of shares, options or other financial instruments.

The forgoing shall not apply to shares that the director may need to sell in order to meet the costs related to their acquisition or, following a favourable assessment by the nomination and remuneration committee, to deal with any extraordinary situations that may arise and so require.

Complies x Complies partially Explain Not applicable

63. That contractual arrangements should include a clause allowing the company to demand reimbursement of the variable remuneration components in the event that payment was not in accordance with the performance conditions or when payment was made based on data subsequently shown to have been inaccurate.

Complies x Complies partially Explain Not applicable

64. That payments for contract termination should not exceed an amount equivalent to two years of total annual remuneration and should not be paid until the company has been able to verify that the director has fulfilled all previously established criteria or conditions for payment.

For the purposes of this recommendation, payments for contractual termination will be considered to include any payments the accrual of which or the obligation to pay that arises as a consequence of or on the occasion of the termination of the contractual relationship between the director and the company, including amounts not previously vested of long-term savings schemes and amounts paid by virtue of post-contractual non-competition agreements

Complies x Complies partially Explain Not applicable

Further information of interest

1. If there is any significant aspect regarding corporate governance in the company or other companies in the group that has not been included in other sections of this report, but that must be included in order to provide a more comprehensive and reasoned picture of the structure and governance practices in the company or its group, describe them briefly below.

2. This section may also be used to provide any other information, explanation or clarification relating to previous sections of the report, so long as it is relevant and not repetitive.

Specifically, indicate whether the company is subject to any corporate governance legislation other than that of Spain and, if so, include any information required under this legislation that differs from the data required in this report.

3. The company may also indicate whether it has voluntarily subscribed to other ethical or best practice codes, whether international, sector-based, or other. In this case, name the code in question and the date on which the company subscribed to it. Specific mention must be made as to whether the company adheres to the Code of Good Practices of 20 July 2010.

The list of the main alliances, initiatives and commitments undertaken by the Group is available on the corporate website, in the "Sustainability" section, "Reporting" subsection.

Among the main Codes that Inditex has subscribed to and the global commitments that it has voluntarily undertaken, the following can be found:

- Code of Good Tax Practices. It encourages a mutually cooperative relationship between the Tax Administration Authority of Spain and the companies. Date of endorsement: 21 September 2010.

- *UNI GLOBAL UNION* (www.uniglobalunion.org). It encourages respect and promotion of labour rights and decent work within the retail and distribution network. Date of endorsement: 2 October 2009.

- *The United Nations Global Compact* (www.globalcompact.org). A United Nations initiative that encourages social dialogue between companies and the civil society. Date of endorsement: 31 October 2001.

- *Ethical Trading Initiative* (ETI) (www.ethicaltrade.org). A dialogue platform to improve working conditions of workers across the supply chains. It is an alliance of companies, international trade unions, and non-governmental organisations. Date of endorsement: 17 October 2005.

- Global Framework Agreement with IndustriALL Global Union (formerly, ITGLWF) (www.industriall-union.org). To promote fundamental human and social rights across Inditex's production line, including the definition of mechanisms of joint action within the production line to implement the Code of Conduct for Manufacturers and Suppliers. Date of endorsement: 4 October 2007. Inditex and IndustriALL executed on 4 May 2012 the "Protocol to define the involvement of trade unions in the reinforcement of the International Framework Agreement within Inditex's supply chain." On 8 July 2014, the Framework Agreement was renewed by both parties at ILO headquarters in Geneva, Switzerland. A new Agreement was executed on 25 April 2016 between Inditex and IndustriALL, that introduces the concept of "union experts" to enforce the Global Framework Agreement. The Global Framework Agreement was renewed on 13 November 2019. At this new stage, both parties have agreed to set up a Global Union Committee on which worker representatives from each of the Inditex Group's key areas of production will sit.

- *Zero Discharge of Hazardous Chemicals* (ZDHC): in this organisation, Inditex joins forces with the rest of the industry in order to move forward together in fulfilling our commitment to Zero Discharge of Hazardous Chemicals, a pledge to restrict and eliminate certain chemicals in the product manufacturing process.

- Cooperation Agreement between the Ministry of Health and Consumption and the fashion sector in Spain entered into on 23 January 2007. It promotes the defence and encouragement of the rights of Spanish customers in the world of fashion, namely as regards creating and encouraging a healthy-looking appearance.

- International Accord (https://internationalaccord.org/). Signatory brands - including Inditex- and trade unions renewed their commitments for an additional 3-year term, thus making it the longest Accord commitment to this date. This successful agreement which originated in 2013., shows the conviction of brands and trade unions regarding the impact this initiative has on health and safety in the work environment, through independent inspections at factories, corrective measures, training on safety, and an effective whistleblowing mechanism for workers. The International Accord recognises the RMG Sustainability Council (RSC) as the independent organisation that continues these efforts in Bangladesh. Likewise, from early 2023 the implementation has begun in Pakistan, as a result of the feasibility studies regarding expansion addressed in the agreement in 2021. Date of renewal: 23 November 2023.

- *ACT (Action Collaboration Transformation)*: a collaboration initiative of retail brands, suppliers and trade unions to transform the textile industry and achieve living wages by means of collective bargaining and responsible purchasing practices. Inditex has been an active participant of ACT since 13 March 2015.

- International Labour Organization (ILO): ILO is a specialist UN body that focuses on all matters relating to work and industrial relations.

  Inditex collaborates closely with ILO in various spheres, such as, the Better Work Programme or the Workplace Adaptation Program..

  In 2017 we entered in a public–private partnership with the ILO aimed at jointly promoting core principles and labour rights in the cotton supply chain. Such partnership was renewed in 2023.

  We are also members of the ILO Global Business and Disability Network, aimed at creating a workplace culture that is respectful and inclusive for people with disabilities worldwide. The idea is to promote employment policies and practices that include persons with disabilities across all areas, and to help raise awareness in businesses to make disability inclusion a pillar of their social commitment.

- *The Fashion Pact* (https://thefashionpact.org/): Global coalition of companies in the fashion industry committed to key specific common goals to meet the challenges that the industry faces to stop climate change, preserve the oceans and restore biodiversity. Date of endorsement: 23 August 2019.

- *Shift*: non-profit organisation specialising in Human Rights. Inditex has been a participant of Shift's Business Learning Program since 2019. This leading program in Human Rights involves companies of all sectors willing to work towards implementing the Guiding Principles.

- *Policy Hub-Circularity for Apparel and Footwear*: Inditex actively collaborates with *Policy Hub-Circularity for Apparel and Footwear*, an organisation that brings the textile industry and its stakeholders together to speed up the sector's transformation to a circular model. Inditex has been collaborating with the Policy Hub since its inception in 2018 as member of the SAC organisation work group.

- *Ellen MacArthur Foundation*: Within the framework of our collaboration with the Ellen MacArthur Foundation, we have signed a 2025 commitment to the *New Plastics Economy* promoted by the Ellen MacArthur Foundation in partnership with the UN Environment Programme.

  The commitment promotes that all plastics used in our business should be reused or recycled, while cutting the amount of unnecessary plastic packaging and increasing the percentage of recycled content in these materials. In parallel, Inditex has worked with EMF to promote circularity in different areas of its business model.

- *European Network Against Racism* (ENAR): Like the ENAR Foundation ("European Network Against Racism", which advocates racial equality), Inditex envisions a society where there is full equality, solidarity and well-being for all and where discrimination against people based on their skin colour, religion, culture, nationality or origin is not tolerated. In 2021, the ENAR Foundation granted the Holistic Diversity Management Certificate to the Inditex network of Champions of Diversity in Europe, developed in conjunction with experts in D&I management.

- *World Wildlife Fund* (WWF): In 2022, we entered a global partnership with WWF to carry out projects aimed at nature restoration and ecosystem conservation. In addition to funding projects, the agreement also includes the joint work of both organisations in transformation projects in the textile industry aimed at conservation and creating a positive impact on large ecosystems.

- *Reimagining Industry to Support Equality* (RISE): initiative launched in March 2023 to promote gender equality in global garment, footwear and home textiles supply chains. RISE gathers the four more important women empowerment programmes in the apparel industry, from BSR's HERproject, Gap Inc. P.A.C.E., CARE and Better Work, Inditex is part of its Steering Board, together with IndustriALL, the ILO and other brands and organisations in the sector.

- *International Apparel Federation* (IAF): In 2023, Inditex has entered into a framework agreement with the International Apparel Federation (IAF), leader in the textile industry which encompasses manufacturers, brands and sectorial associations worldwide. This collaboration aims to drive significant transformation in the global garment industry, paving the way for the development of projects that seek to improve working conditions, protect the environment, move towards circularity and promote transparency and traceability in the supply chain. Date of execution: 2 October 2023.

This Annual Corporate Governance Report was approved by the Board of Directors of the company at the meeting held on 12 March 2024.

Indicate whether any director voted against or abstained from approving this report.

Yes No x

Name or company name of the member of the Board of Directors who has not voted for the approval of this report	**Reasons (against, abstention, non attendance))**	**Explain the reasons**

INDITEX

Issuer Identification

Year-end date:

31/01/2024

Tax Identification Number (CIF):

A-15075062

Company name:

Industria de Diseño Textil, S.A.

Registered office:

Avenida Diputación, Edificio Inditex, Arteixo (A Coruña)

About this Report

This Report (the "Report" or the "Annual Report on Remuneration of Directors") provides information on remuneration of directors for the period running from 1 February 2023 through 31 January 2024 (financial year 2023) and offers detailed information about the Directors' Remuneration Policy of INDUSTRIA DE DISEÑO TEXTIL, S.A. (INDITEX, S.A.), ("**Inditex**"or the "**Company**") applicable in financial year 2024.

This Report has been drawn up by the Remuneration Committee (the "Remuneration Committee" or the "Committee") pursuant to the provisions of section 541 of the Spanish Companies Act ("**LSC**" *(Spanish acronym*) or the "**Companies Act**"); Order EEC/461/2013 of 20 March, whereby the contents and structure of the annual corporate governance report, the annual report on remuneration, and of other information instruments of listed companies, savings banks and other entities which issue securities admitted to trading on official securities markets, are determined, as amended by Order ECC/2515/2013 of 26 December; Circular 3/2021 of 28 September issued by the National Securities Market Commission ("**CNMV**" (*Spanish acronym*)) amending Circular 4/2013 of 12 June, which provides the standard forms of the annual report on remuneration of directors of listed companies and of members of the board of directors or the control committees of savings banks and other entities that issue securities admitted to trading on official securities markets and section 30 of the Board of Directors' Regulations and section 6 of Inditex's Remuneration Committee's Regulations.

This Report is filed in free format, in accordance with the provisions of CNMV's Circular 4/2013 (consolidated text); however, its contents comply with the minimum requirements established in the regulations above and is accompanied by the standardised statistical appendix stipulated therein.

This Annual Report on Remuneration of Directors for financial year 2023 was approved by Inditex's Board of Directors on 12 March 2024, on the proposal of the Remuneration Committee. As provided in section 541(4) LSC, this Report will be submitted to an advisory say-on-pay vote at the next Annual General Meeting as a separate agenda item.

A. Company remuneration policy for the current year

A.1.1. Current directors' remuneration policy for the current year

Inditex's Directors' Remuneration Policy for financial years 2024, 2025 and 2026 was approved at the Annual General Meeting held on 11 July 2023 (the "**2023 AGM**") with 98.37% of votes in favour.

The aforementioned Remuneration Policy became effective on 1 February 2024 and will apply for financial years 2024, 2025 and 2026.

A.1.1. a) Procedures and company bodies involved in determining, approving and applying the remuneration policy and its terms and conditions.

The procedures and company bodies involved in determining and approving the Remuneration Policy and its terms and conditions are described below:

1. Annual General Meeting. Pursuant to section 529*septdecies* and *novodecies* LSC and article 31 of the Articles of Association, the Annual General Meeting shall be responsible for:

- Approving the Directors' Remuneration Policy, at least every three years.
- Determining the maximum amount of the annual remuneration to be paid to all directors in their status as such.

In this line, the Board of Directors plans to submit for approval at the 2024 Annual General Meeting this Annual Report on Remuneration of Directors for the year ended 31 January 2024 (put to an advisory say-on-pay vote).

2. Board of Directors. Pursuant to sections 249 and 249*bis* LSC, the Board of Directors shall have the following powers, which are non-delegable:

- Decisions relating to remuneration of directors within the scope of the Articles of Association and of the Remuneration Policy approved by the General Shareholders' Meeting.
- The approval of the contracts entered into with the executive directors including, without limitation, the remuneration items they may be entitled to for the performance of executive functions, including the potential severance pay as a result of early termination, and the amounts to be paid by the Company as insurance premiums or contributions to savings systems.

3. Remuneration Committee.

Pursuant to the provisions of the Board of Directors' Regulations, the Remuneration Committee's Regulations and the Directors' Remuneration Policy, below is a summary of the duties the Committee is entrusted with regarding determination, enforcement, review and transparency of the Remuneration Policy:

<u>a) Determination of the Remuneration Policy:</u>

- To propose to the Board of Directors the Directors' Remuneration Policy as well as the regular review and update thereof.
- To propose to the Board of Directors the system and amount of the annual remuneration of directors, to be submitted to shareholders at the Annual General Meeting.
- To propose to the Board of Directors for approval, the individual remuneration of executive directors and the remaining basic terms and conditions of their contracts, including any potential severance pay or indemnity which may be payable in the event of termination of the contract by unilateral decision of the Company and the amounts to be paid by the Company as insurance premiums or contributions to savings schemes, pursuant to the provisions of the internal regulations of the Company and of the Directors' Remuneration Policy from time to time in force.

<u>b) Enforcement of the Remuneration Policy:</u>

- To approve at the beginning of each year the targets to which the annual variable remuneration of executive directors is tied and evaluate the achievement thereof at the end of the year. Further to such evaluation, the Remuneration Committee drafts a proposal on annual variable remuneration of executive directors that is submitted to the Board of Directors for approval.
- To approve the targets of each cycle of long-term variable remuneration for executive directors. The Remuneration Committee carries out an annual evaluation and an overall evaluation upon expiry of each cycle, of the level of achievement reached for each target, considering the information provided by the Company, and proposes to the Board of Directors for approval, the levels of incentive associated to achievement, based upon the performance scales set, and extraordinary factors, as the case may be, which may have occurred during the performance period of the plan in question.

The evaluation of targets and the level of achievement thereof to which long-term annual variable remuneration is tied, is based upon the results provided by different areas and departments of the company, pursuant to the terms of section A.1.10 below. Considering the foregoing, the Remuneration Committee drafts a proposal on annual variable remuneration of executive directors which is submitted to the Board of Directors for approval. In the proposal on variable remuneration, the Remuneration Committee also considers the quality of results in the long-term as well as any risk associated thereto.

- To propose to the Board of Directors the cancellation of payment or, where appropriate, the refund (clawback) of the variable items of the remuneration of executive directors based on results, when these items have been paid on the basis of information clearly shown later to be inaccurate, as well as, where appropriate, the filing claims or any other applicable measures.

c) Review of the Remuneration Policy:

- To regularly review the Directors' Remuneration Policy, including share-based remuneration systems and the application thereof, verifying that it is consistent with the specific circumstances of the Company, and aligned with its strategy, in the short, mid and long-term, and with market conditions, considering whether it contributes to building sustainable value, and to ensuring an appropriate risk control and management.

d) Transparency of the Remuneration Policy:

- To prepare and submit to the Board of Directors, for approval, the Annual Report on Remuneration of Directors, and to verify the information on the remuneration of directors provided in the corporate documents, the notes to the annual accounts and in the interim financial statements of the Company.

The Remuneration Committee meets at least three times a year and whenever it is deemed appropriate for its effectiveness, and at any rate, each time the Board of Directors or its Chair requests the issuing of a report or the adoption of proposals within its purview.

The Board of Directors or its Chair will request information from the Remuneration Committee. Likewise, the Committee shall consider the suggestions made by the Chair, Board members, officers and/or shareholders of the Company. Moreover, the Remuneration Committee shall hold a regular meeting every year to prepare the information on the remuneration of directors, which the Board of Directors has to approve and include as part of its annual public documentation.

The Remuneration Committee shall report to the Board of Directors on the matters discussed and the decisions made, accounting for its proceedings and work done at the meeting that the Board of Directors holds immediately after each meeting of the Remuneration Committee. Additionally, a copy of all the minutes taken at the Committee's meetings shall be made available to all directors.

In accordance with its schedule for financial year 2024, the Remuneration Committee is expected to hold, at least 4 meetings.

A.1.1. b) Consideration of comparable companies in order to establish the Company's Remuneration Policy

The Remuneration Committee deems essential to regularly review the Directors' Remuneration Policy, in line with best practices on corporate governance endorsed by institutional investors and the recommendations of the main proxy advisors.

In financial year 2022, in the context of implementing the current organisational structure, the Remuneration Committee considered a number of **analyses into the external competitiveness of total remuneration**, with the support of an independent external advisor specialising in director remuneration, to propose appropriate levels of remuneration for both the Chair of the Board of Directors, without executive functions and for the CEO for his functions as the only executive director.

As a result of the aforementioned analyses, a new remuneration package was shaped up for the CEO and the new position of the Chair without executive functions. Such conditions determined the amendments introduced in the previous Directors' Remuneration Policy for financial years 2021, 2022 and 2023, approved at the 2022 Annual General Meeting.

In particular, with regard to the remuneration of the (non-executive) Chair of the Board of Directors, market amounts and remuneration practices were analysed for the remuneration of board chairs without executive functions in the companies that make up the **main stock market indices** in **relevant European countries** (Ibex-35 in Spain, CAC40 in France, FTSE MIB in Italy, DAX40 in Germany, SMI 20 in Switzerland and FTSE 100 in the United Kingdom).

With regard to the CEO, several comparator groups were considered, selected on the basis of sector, size and geographic spread criteria, in line with the analyses carried out in previous years for the Company's chief executive. The **comparator groups** considered are the following:

- STOXX Europe 50, comprising the 50 companies with the largest market capitalisation in Europe. This index was designed by STOXX Ltd.

- Large Ibex-35 companies comparable in size to Inditex (Iberdrola, Santander, Telefónica and BBVA).

- Dow Jones Retail Titans 30 Index, made up of the 30 leading companies of the retail sector. These companies are selected by Dow Jones based upon ranking by market capitalisation, revenue and net profit.

In financial year 2023, during the design and elaboration of the new Remuneration Policy, these analyses were updated and in particular, the findings for the STOXX Europe 50 group and the large Ibex-35 companies have been revised to verify that remuneration decisions agreed in financial year 2022 were still aligned with the market. The continuation approach in the new Remuneration Policy with respect to the previous one, was mainly determined by the confirmation of this alignment.

A.1.1. c) Information on external advisors.

To better discharge its duties, the Remuneration Committee may request the Board of Directors to engage legal, accounting, financial or other experts at the expense of the Company.

In this regard, in the current financial year 2024 until this date, to prepare this Report, the Remuneration Committee, in the exercise of its powers, has been advised by WTW, an independent consultant with experience in the field of directors' and senior executives' remuneration,

A.1.1. d) Procedures set forth in the current directors' remuneration policy in order to apply temporary exceptions to the policy, conditions under which those exceptions can be used and components that may be subject to exceptions according to the policy.

The new Remuneration Policy does not allow for the possibility of applying temporary exceptions.

A.1.2. a) Remuneration mix. Criteria and targets taken into consideration in their determination and to ensure an appropriate balance between fixed and variable remuneration items.

Remuneration of **directors in their position as such** is fully comprised of **fixed remuneration items.**

The **executive director**' total remuneration is made up of a **fixed** element, a short-term or **annual variable** element **and** a **long-term** or multi-year variable element**, in cash and/or in shares**.

Pursuant to the new Remuneration Policy, under a scenario with maximum achievement of targets, the **weight** of **variable** or at-risk remuneration **with respect to total remuneration** (considered for these purposes as fixed remuneration, annual variable remuneration and long-term incentive annualised according to the share price at the beginning of each cycle) could represent **up to 75%** for the CEO, approximately.

The remuneration mix of the different remuneration scenarios based upon target achievement ensures that the fixed remuneration represents a significant part of total remuneration, for the purposes of preventing taking any unnecessary risks.

Variable remuneration items to reward the executive director, tied to the achievement of Group's targets, are **flexible** enough to allow their shaping, including the possibility to pay no variable remuneration component under certain circumstances; in such case, fixed remuneration would represent 100% of total remuneration. **Under no circumstances is variable remuneration guaranteed.**

A.1.2. b) Actions adopted to adapt the Remuneration Policy to the long-term targets, values and interests of the Company, and measures to guarantee that the long-term results of the company are taken into account in the Remuneration Policy

In the design of the remuneration scheme, fixed and variable components are efficiently balanced, as indicated above. Specifically, pursuant to the new Remuneration Policy, long-term or multi-year variable remuneration, on an annualised basis and for a maximum target achievement scenario, has a weight of 35% of total remuneration of the CEO (considering for these purposes the fixed, short-term variable and long-term variable remuneration annualised based on the share price at the beginning of each cycle).

Long-term variable remuneration plans are encompassed in a **multi-year framework** (of at least 3 years) to ensure that the evaluation process is based upon long-term results and that the underlying economic cycle of the Company and the achievement of strategic targets is considered therein.

Part of this long-term variable remuneration is **granted and delivered in shares**, based upon value creation, so that the interests of the executive director and officers are aligned with those of the shareholders. Specifically, in a scenario of maximum target achievement, close to 30% of the CEO's total variable remuneration would be delivered in shares (this value considers the share price at the start of each cycle; it does not take into account the potential change in share price during the performance period).

The CEO has undertaken to hold the net shares that he may receive as a result of any element of variable remuneration for a term of at least 3 years until he holds a number of shares equivalent to at least 2 years of his fixed remuneration. In any case, once this shareholding target has been reached, the CEO must comply with the retention obligations set out from time to time for shares delivered through incentive schemes. These courses of action result in a better alignment of the interests of the CEO with those of the shareholders.

In addition, in relation to the new 2023-2027 Long-Term Incentive Plan approved at the 2023 AGM, the Board of Directors agreed, upon proposal of the Remuneration Committee, to extend the **obligation to hold shares** for 2 years after their delivery**, even after the contractual relationship** with the Company **has ended**. However, the CEO may choose to transfer ownership of the shares once the relationship has ended, provided that he maintains in his shareholding during the time remaining for complying with the aforementioned temporary limitation, an amount equivalent to the value of the perceived incentive in shares at the time of delivery.

All these measures strengthen the alignment of interests between the CEO and shareholders.

Payment of **variable remuneration** at Inditex, both annual and multi-year, is tied to the achievement of **sustainability targets**. These targets are aligned with the Group's sustainable strategy, wherein all stakeholders are considered, and allows rewarding its implementation. Namely, in financial year 2024 the **weight** of sustainability objectives on the CEO's aggregate variable remuneration is approximately **20%**.

A.1.2. c) Actions adopted relating to the remuneration system to reduce exposure to excessive risks and avoid conflicts of interest and clauses reducing the deferred remuneration or obliging the director to return remuneration received.

(i) Measures taken by the Company to reduce exposure to excessive risks

The measures taken by the Company to **reduce exposure to excessive risks** are:

- The executive director' total remuneration comprises different remuneration items, mainly consisting of: (i) a fixed remuneration, (ii) a short-term variable remuneration (annual), and (iii) a long-term (multi-year) variable remuneration. The **remuneration mix** in the different remuneration scenarios based upon achievement of targets, ensures that the fixed remuneration represents a significant part of aggregate compensation, for the purposes of preventing taking any unnecessary risks.

- **No guaranteed variable** remunerations exist. Variable remuneration items are flexible enough to allow their shaping, to the extent that it is possible that no amount is paid in terms of variable remuneration.

(ii) Measures taken in respect of those categories of staff whose professional activities may have a relevant impact on the Company's risk profile.

The measures taken in respect of those **categories of staff** whose professional activities may have a **relevant impact on the Company's risk profile** are:

- Total remuneration of senior managers is comprised of the same remuneration elements and similar characteristics to those of the executive director.

- The Remuneration Committee is responsible for considering and reviewing the Directors' and Senior Managers' Remuneration Policy and for enforcing it. Those professionals whose activity may have a relevant impact on the Company's risk profile are included in this group.

  In addition, the Committee is tasked with conducting regular reviews of the terms and conditions of the executive director' and senior management's contracts and ensuring that they are consistent with the remuneration policies in force.

- All **members** of the **Remuneration Committee also sit on** the **Audit and Compliance Committee**. The Audit and Compliance Committee is responsible for overseeing enterprise risk management systems in respect of financial and non-financial risks. The presence of the same directors on both committees and the reporting to the Board of Directors by the Chairs of the Remuneration and the Audit and Compliance Committees on the main matters discussed at the meetings, ensures that risks associated to remuneration are considered in the course of the debates of the Remuneration Committee and of the Audit and Compliance Committee and in the proposals they submit to the Board of Directors, regarding both the determination and the evaluation of annual and multi-year incentives.

- Likewise, the **Remuneration Committee and the Sustainability Committee share two members**, one of them being the Chair of the Sustainability Committee. The Sustainability Committee is responsible for overseeing and monitoring proposals in the field of sustainability, on social and environmental issues, on health and safety of the products that the Company places on the market, and the relations with the different stakeholders, and with following up on the sustainable strategy, evaluating the level of compliance thereof and, as the case may be, proposing recommendations to improve the Group's positioning in the field. Thus, the fact that the same directors sit on the above referred board committees allows ensuring (i) that alignment with the Group's priorities in the field of sustainability and with those of its stakeholders is considered upon establishing and enforcing the Remuneration Policy and (ii) a comprehensive and appropriate monitoring for the assessment and determination of the level of achievement of sustainability objectives.

(iii) Measures taken by the Company to avoid potential conflicts of interest

With regard to the **measures** set to detect, determine and resolve any potential **conflicts of interest**, conflict of interest scenarios are defined in section 34 of the Board of Directors' Regulations, which also provides the rules which govern such conflicts. Sections 33 and 35 to 37 thereof cover the obligation of non-competition, the use of corporate assets, the use of non-public information for private purposes and the taking advantage of business opportunities corresponding to the Company. Meanwhile, section 39 covers such specific issues that Directors must report to the Company.

Additionally, section 1 of the Board of Directors' Regulations provides that the rules of conduct for directors shall apply, insofar as they are compatible with their specific nature, to senior managers of the Company, namely, the following sections: 32 (duty of confidentiality); 34 (conflicts of interest), with regard to the duty to inform the Company; 35 (use of corporate assets); 36 (non-public information); 37 (business opportunities), and 38 (prohibition to make undue use of the office).

Moreover, with regard to significant shareholders, senior managers and their related parties, section 40 of the Board of Directors' Regulations provides the rules applicable to "transactions with directors and significant shareholders". One of the duties assigned to the Audit and Compliance Committee consists of assessing and reporting on certain related party transactions. In light of this report, it is incumbent on the Annual General Meeting, the Board of Directors or another body with delegated authority, as the case may be, to approve the transaction when appropriate.

Meanwhile, the Code of Conduct and the Conflicts of Interest Policy of the Group address how Inditex's employees must act when faced with a conflict of interest between their personal interests and those of the Company, as well as the situations which need to be reported, in particular, to the Ethics Committee.

(iv) Measures taken by the Company regarding the clauses on reduction or return of variable remuneration

With regard to the **clauses on reduction** of the deferred remuneration or that force directors to **return** remuneration received when such remuneration has been determined considering certain figures that have clearly been shown later to be inaccurate:

- The Remuneration Committee may propose to the Board of Directors the cancellation of payment or, where appropriate, the clawback of the variable items of the remuneration of the executive director based on results, when these items have been paid on the basis of information clearly shown later to be inaccurate. In such cases, the Committee may also propose the termination of the relationship with the relevant manager and the filing of the relevant claims, all the foregoing pursuant to the terms of section 6 of the Remuneration Committee's Regulations.

  In this regard, should (i) any event or circumstance occur that would result in the negative change or variation, in final terms, of the financial statements, results, economic data, performance data or otherwise, upon which the accrual and payment to the executive director of any amount in terms of variable remuneration would have been based, and, (ii) should such change or variation determine that, if they had become known at the date of accrual or payment, the executive director would not have received any amount, or, would have received a lesser amount than the one initially paid, the Remuneration Committee may propose to the Board of Directors that the Company claims the clawback of the full sum or of any excess paid (regardless of whether or not the executive director in question is still with the Company at the time of the claim).

- With regard to the in-flight long-term incentives (second cycle of the 2021-2025 Long-Term Incentive Plan and both cycles of the 2023-2027 Long-Term Incentive Plan), as well as any outstanding variable remuneration while the new Remuneration Policy is in effect, the Company may cancel before payment and/or claim refund of the incentive previously paid, in full or in part, in the event that any of the following unforeseen circumstances would occur during (i) the period immediately before consolidation, or (ii) the 2 years following settlement of the incentive for the executive director's performance in each cycle, as the case may be:

  - (i) losses in the Group (negative PBT) in the 2 years after the expiry of each cycle, attributable to management decisions made in the performance period of each cycle;
  - (ii) material restatement of the Group's financial statements, when so considered by the external auditors, except where this is appropriate pursuant to a change in accounting standards;
  - (iii) serious breach of the internal regulations on the part of the executive director, as proven by the Ethics Committee.

A.1.3. Amount and nature of fixed components that are due to be accrued during the year by directors in their capacity as such.

Pursuant to section *529septdecies* LSC, the directors' remuneration policy must determine the maximum amount of remuneration that may be paid each year by the Company to all directors in their status as such. Under the new Remuneration Policy, this maximum amount has been set at €3,380 thousand, in accordance with the current membership on the Board of Directors and its Committees.

Within the limit set by the Annual General Meeting, it is incumbent on the Board of Directors, upon proposal of the Remuneration Committee, to determine how and when such amounts are to be paid. At its meeting held on 12 March 2024 and on the proposal of the Remuneration Committee, the Board of Directors resolved to maintain the following amounts for financial year 2024 as set out in the new Remuneration Policy (approved at the 2023 AGM with 98.37% of votes in favour):

- Each director will receive an annual fixed remuneration in the amount of €100,000 for their directorship.
- The non-executive Chair of the Board of Directors will receive an additional annual fixed remuneration of €900,000.
- The Deputy Chair or Deputy Chairs of the Board of Directors will receive an additional annual fixed remuneration of €80,000.
- Directors who in turn sit on the Audit and Compliance Committee, the Nomination Committee the Remuneration Committee and/or the Sustainability Committee (including the Chair of each Committee) will receive an additional annual fixed remuneration of €50,000.
- The Chairs of the Audit and Compliance Committee, the Nomination Committee, the Remuneration Committee and the Sustainability Committee, will receive an additional annual fixed remuneration of €50,000.

Such amounts are fully independent and compatible with each other. They are fully paid in cash.

These items and amounts have remained unchanged since they were approved at the Annual General Meeting held on 19 July 2011 (with 99.59% of votes in favour), except for the fixed remuneration established for the Chair of the Board of Directors, as a new position without executive functions created in financial year 2022, following the full separation of the positions of Chair of the Board of Directors and CEO of the Company. This allocation also remains unchanged in 2024.

Except for the CEO's remuneration for the performance of executive functions, the amounts shown above represent the only remuneration paid to directors of the Company for membership on the Board of Directors of Inditex or any Group company. No attendance fees are paid to attend board and committees' meetings, nor is there any remuneration in the form of profit-sharing or bonuses, or remuneration systems or pension plans incorporating variable remuneration, or severance pays for the termination of their relationship with the Company or any other items determined for the performance of executive functions. The remuneration of the Chair of the Board of Directors will not include either any other remuneration and/or compensation item in addition to the above.

The foregoing is notwithstanding the refund to the directors of any reasonable travelling and accommodation fees incurred upon attending the meetings of the Board of Directors or of the Committees where they sit.

Inditex has also taken out a D&O liability policy for directors, officers and staff performing similar duties in the Company.

A.1.4. Amount and nature of fixed components that are due to be accrued during the year for the performance of senior management functions of executive directors.

Pursuant to the provisions of the new Remuneration Policy and as anticipated in the Annual Report on the Remuneration of Directors for financial year 2023, the CEO's fixed remuneration for financial year 2024 totals €2,500 thousand, remaining unchanged with respect to financial year 2023.

A.1.5. Amount and nature of any component of remuneration in kind that will accrue during the year.

No remunerations in kind exist other than the delivery of shares referred to in the following section regarding variable components of remuneration.

A.1.6. Amount and nature of variable components, differentiating between those established in the short and long terms. Financial and non-financial, including social, environmental and climate change parameters selected to determine variable remuneration for the current year, explaining the extent to which these parameters are related to performance, both of the director and of the company, and to its risk profile, and the methodology, necessary period and techniques envisaged to be able to determine the effective degree of compliance, at the end of the year, with the parameters used in the design of the variable remuneration, explaining the criteria and factors applied in regard to the time required and methods of verifying that the performance or any other conditions linked to the accrual and vesting of each component of variable remuneration have effectively been met.

Monetary terms of the different variable components according to the degree of fulfilment of the objectives and parameters established, and whether any maximum monetary amounts exist in absolute terms.

With regards to directors in their status as such, including the Chair of the Board of Directors, the fixed remuneration items referred to above are the only remuneration paid to them for membership on the Board of Directors of Inditex. There is no remuneration under a profit-sharing scheme, nor any remuneration systems or schemes covering a variable remuneration.

The variable components of the **CEO'**s remuneration for the performance of his executive functions, as stipulated in the new Remuneration Policy approved at the 2023 AGM, are as follows:

- Short-term or annual variable remuneration.
- Long-term or multi-year variable remuneration.

Below is a description of the main features of each of such components:

- Short-term or annual variable remuneration:

Annual variable remuneration is tied to the achievement of annual quantitative and qualitative targets, specific, pre-established and quantifiable, aligned with the interest of the Company and consistent with the medium to long-term strategy.

Financial and business targets linked to the Company management represent at least 60% of the aggregate incentive. Non-financial metrics represent at least 30% of the aggregate incentive.

A performance scale is associated, when reasonably possible, to targets. Such scale, set at the beginning of each financial year, includes a minimum threshold below which no incentive is paid, a level of achievement on target, which corresponds to the standard level of achievement of targets, and a maximum level of achievement, above which the incentive is not increased. Each metric is associated a specific performance scale, determined and calibrated in accordance with the variability of each of them and the target's level of requirement. In this regard, scales may have different slopes (i.e. relationship between level of achievement and level of payment). Additionally, the scale may include different payout levels between minimum and on target level, and between on target and maximum level of achievement regarding the same target.

The Board of Directors, upon the Remuneration Committee's proposal, is responsible for approving the targets at the beginning of each financial year and evaluating their achievement at year end. This evaluation is done based upon the data and the results provided by the Financial Division, the General Counsel's Office, the Corporate Development Department and the Sustainability Department, all of which are first reviewed by the Audit and Compliance Committee and the Sustainability Committee, as appropriate. The Board of Directors is responsible for the annual assessment of the CEO's performance, following a report from the Nomination Committee.

Further to such review, the Remuneration Committee draws up a proposal on annual variable remuneration which is submitted to the Board of Directors for approval. In this proposal, the Remuneration Committee also considers the quality of results in the long-term as well as any associated risk.

For the purposes of ensuring that the annual variable remuneration is effectively aligned with the Company performance and the CEO's individual performance, any positive or negative economic effects arising from any extraordinary events which might introduce distortions into the results of the evaluation, may be removed upon determining the level of achievement of the financial targets.

In accordance with the new Remuneration Policy, the **target amount** of the CEO's **annual variable remuneration**, i.e., the one which corresponds to a level of achievement of the objectives on target, shall be equivalent to **120% of the fixed remuneration** for the performance of executive functions. In case of **overachievement** of the pre-established targets, it could reach a maximum of **125% of the annual target variable remuneration** (150% of the fixed remuneration for the performance of senior management duties, i.e. €3,750 thousand).

The terms of the annual variable remuneration system for the CEO, including the structure, maximum levels of remuneration, targets established and the weight of each of them, are reviewed every year by the Remuneration Committee, considering the Company's strategy, business needs and status, and the recommendations and best practices in the market in the field of remuneration. Such terms are submitted to the Board of Directors for approval.

Specifically, the Board of Directors has resolved at its meeting held on 12 March 2024, on the proposal of the Remuneration Committee, that the annual variable remuneration for the CEO in financial year 2024 will be determined in accordance with the following criteria:

Weighting	Target	Measurement criteria
70%	Net sales (35%) and contribution margin (35%)	The same criteria established for senior managers according to the budget of the Company are applied.
15%	CEO's individual performance	Assessment by the Board of Directors, on the proposal of the Nomination Committee.
	Strategic development of the Company	Drive the initiatives related to advancing the four strategic priorities, such as improving the fashion proposition, enhancing the customer experience, increasing the focus on sustainability and preserving the talent and commitment of our people.
15%	Progress in the implementation of the strategy towards global sustainability, measured against the following indicators:	(i) Progress in adoption of recycled fibres. (ii) Progress in the supply chain transformation plan (water, energy, waste and chemical substances). (iii) Progress in the development of strategic collaborations aimed at the transformation of the industry. (iv) Progress on the improvement of the traceability across our supply chain. (v) Development of additionality mechanisms in the renewable energy infrastructure. (vi) Level of implementation of environmental projects related to the initiative to charge for paper bag and envelopes at stores; and (vii) Development of innovation projects related to fibres and production processes.
	Progress in corporate governance	Degree of compliance with the recommendations of the Good Governance Code of Listed Companies and alignment with international best practices.
	Progress in implementing diversity and compliance programmes	Approval of internal regulations and degree of international roll-out.

The short-term variable remuneration for 2024 based on the achievement of the above referred targets will be paid in 2025 in cash.

- **Multi-year or long-term variable remuneration**

a) 2023-2027 LONG-TERM INCENTIVE PLAN

The **2023-2027 Long-term Incentive Plan** for members of the management team, including the executive director and other Inditex Group employees, was approved at the 2023 AGM (with 98.94% of votes in favour) .

The Plan consists of the combination of a **multi-year bonus in cash and the promise to deliver shares**, which, once a specific period of time has elapsed and the achievement of the specific targets has been verified, will be paid to the beneficiaries of the Plan, either in full or in the relevant applicable percentage, as the case may be.

The total duration of the Plan is **4 years** and it is structured in **2** independent time **cycles**:

- The first cycle of the Plan runs from 1 February 2023 to 31 January 2026.
- The second cycle runs from 1 February 2024 to 31 January 2027.

The Board of Directors, on the proposal of the Remuneration Committee, is responsible for approving the targets at the beginning of each cycle as well as the performance scale for each of the metrics which enables the calculation of the payout coefficient for each level of target achievement. The performance scale includes a minimum threshold below which no incentive is paid and a maximum level of achievement, for which a maximum incentive is paid.

The Committee will annually monitor the objectives and will, once the performance period of each cycle has ended, assess the achievement level for each of the objectives and in the cycle as a whole. This assessment is made based on the data and results provided by the Financial Division, the General Counsel's Office and the Sustainability Department, reviewed by the external and internal auditors, and previously analysed by the Audit and Compliance Committee and the Sustainability Committee, as applicable.

Further to such review, the Remuneration Committee draws up a proposal which is submitted to the Board of Directors for approval in relation to the incentive levels associated to performance according to the established performance scales.

Both for setting the targets and for the evaluation of achievement levels, the Remuneration Committee also considers the quality of results in the long-term as well as any associated risk.

Any positive or negative economic effects arising from any extraordinary events which might introduce distortions into the results of the evaluation, may be removed upon determining the level of achievement of the quantitative targets.

Under such Plan, the executive director will receive, if appropriate, an incentive which will materialize as follows: **60% in shares** and **40% in cash**. Regarding 60% of the incentive which would, if appropriate, be settled in shares, the number of shares to be granted at the commencement of each cycle will be determined based upon the average weighted share price on the 30 trading days immediately prior to the commencement date of each cycle. Upon expiry of each cycle, the Remuneration Committee will assess the level of achievement of objectives and propose the number of shares to be delivered.

The CEO has **undertaken to hold for at least a 3-year term the net shares** that he may receive as a result of any element of variable remuneration, until he holds a number of shares equivalent to at least 2 years of his fixed remuneration. In any case, once this shareholding target has been reached, the CEO must comply with the holding obligations under this Plan, which involve holding a number of shares equivalent to the incentive received in shares, net of applicable taxes, for two years after their delivery. This obligation will remain even when relationship has ended, as addressed in section A.1.1 above.

Likewise, the Company may **cancel** before payment **and/or claim refund** of the long-term incentive previously paid, in full or in part, (clawback) should certain unforeseen circumstances occur during the 2 years following the delivery of the incentive for the proceedings of each cycle. Such specific circumstances have been addressed in section A.1 above.

The incentive amounts and features for the two cycles of the 2023-2027 Plan are detailed below:

– The maximum amount of the incentive assigned to the CEO would amount to:

Maximum incentive	=	Cash	+	Shares
133% of annual fixed remuneration		€1,331 thousand		75,045
133% of annual fixed remuneration		€1,331 thousand		51,502

- At the end of each cycle, the Remuneration Committee will assess the level of target achievement and propose the amount of cash and the number of shares to be delivered. The achievement of objectives will be measured against identifiable and quantifiable parameters, called metrics.

The incentive for the first cycle (2023-2026) will vary depending upon the following **metrics**, with the following weight:

Weighting	Target	Measurement criteria
25%	Profit before Taxes ("PBT")	PBT figure for FY2025 (ending on 31 January 2026), expressed in euros, compared to the amount set by the Board of Directors as a target at the commencement of the first cycle.
25%	Store and Online Sales ("TTTT" (*Spanish acronym*))	Amount in euros of total store and online sales in FY2025 at constant currency at the end of FY2025 (31 January 2026) according to the Company's information, measured against the amount set by the Board of Directors as a target at the commencement of the first cycle.
12.5%	Absolute Total Shareholder Return ("TSR")	Performance of an investment in Inditex shares over the period of the first cycle, determined by the ratio (expressed as a percentage) between the final value of a hypothetical investment in Inditex shares (reinvesting the dividends from time to time) and the initial value of that same hypothetical investment. The initial value is defined as the average weighted share price on the 30 trading days immediately prior to 1 February 2023 (exclusive)(€26.6), and the final value is defined as the average weighted share price on the 30 trading days immediately prior to 31 January 2026 (inclusive). To this end, for calculating such final value, the dividends or other similar amounts received by shareholders on said investment during the respective period of time will be considered, as if the gross amount thereof (before taxes) would have been reinvested in more shares of the same class on the first date on which the dividend or any similar amount is payable to shareholders and at the closing share price on that date. The absolute TSR achieved during the 2023-2026 period will be measured against the target set by the Board of Directors at the commencement of the first cycle, as maximum achievement.
12.5%	Relative Total Shareholder Return ("TSR")	Performance of an investment in Inditex shares compared to the performance of an investment in a Peer Group (as defined below) during the first cycle, determined by the difference (by subtraction) between Inditex's annualised TSR and the annualised TSR of this Peer Group. For the purposes of Inditex's TSR and the TSR of every company in the Peer Group, the initial value shall mean the weighted average share price on the 30 trading days immediately prior to 1 February 2023 (exclusive). For the purposes of Inditex's TSR and the TSR of every company in the Peer Group, final value shall mean the weighted average share price on the 30 trading days immediately prior to 31 January 2026 (inclusive). To this end, for calculating such final value, the dividends or other similar amounts received by shareholders on said investment during the respective period of time will be considered, as if the gross amount thereof (before taxes) would have been reinvested in more shares of the same class on the first date on which the dividend or any similar amount is payable to shareholders and at the closing share price on that date.
25%	Sustainability index (comprising 4 indicators)	(i) "Consumption of textile raw materials with a lower impact (referred to as 'preferred'): measured as the percentage of preferred textile raw materials (organic, in conversion, regenerative, recycled, certified as European linen, Green viscose in the Hot Button Report by Canopy and EU BAT compliant or "Next Generation") in FY2025 Winter campaign on the total purchase of the main fibres (cotton, polyester, linen, viscose, modal and Lyocell) in said campaign. (ii) "Water consumption": measured as the percentage reduction in water consumption (litre/kg) in the supply chain between the cycle start date (1 February 2023) and the cycle end date (31 January 2026). (iii) "Decarbonisation": measured in terms of percentage reduction of the volume of Scope 3 Greenhouse Gas emissions, in the category "purchased goods and services" between the start date of the cycle (1 February 2023) and the end date of the cycle (31 January 2026). (iv) "Social": total number of workers who are part of the programmes of the priority impact areas of social dialogue, living wages, health, respect and resilience of the Workers at the Centre Strategy in the period between 1 February 2023 and 31 January 2026 (cumulative data for the three FY2023, 2024 and 2025).

- For the purpose of calculating the payout coefficient attained for each level of target achievement, a **performance scale** will be determined for each metric, set at the commencement of the cycle, which will include a minimum threshold below which no incentive will be paid, corresponding to a payout ratio of 30% of the maximum incentive granted, and a maximum level, corresponding to a payout ratio of 100% of the Maximum Incentive Granted. For intermediate levels, the results shall be determined by linear interpolation.
    - PBT, TTTT, absolute TSR and Sustainability index, the following will be measured:

Level of achievement	Level of Incentive (% of Maximum Incentive)
Below minimum	0%
Minimum	30%
Maximum	100%

    - Regarding the evolution of relative TSR:
        - The Peer Group is made up of 14 companies in the Retail industry with a potential impact in its listing due to similar external factors as Inditex, as indicated below: Nike, Fast Retailing, Lululemon Athletica, Adidas, H&M, Associated British Foods, VF Corporation, Burberry, Next, Puma, Zalando, JD Sports Fashion, Ralph Lauren Corporation and Hugo Boss (the "Peer Group").
        - The following will be calculated at the end of the first cycle:

          -Inditex's TSR and the TSR of each company in the Peer Group for the 2023-2026 period.

          -The arithmetic mean of the TSR of each company, resulting in the average TSR for the Peer Group.

          -Inditex's annualised TSR and the annualised TSR of the Peer Group.

        Next, the difference (by subtraction) between Inditex's annualised TSR and the annualised TSR of the Peer Group will be calculated. This difference will be compared against the target set by the Board of Directors at the beginning of the first cycle and a payout ratio, ranging from 0% to 100% of the maximum incentive granted, will be applied in accordance with the specified scale.

In order to be eligible to receive the relevant incentive, as a general rule, beneficiaries must remain in the Company until expiry of the accrual period.

The incentive for the second cycle (2024-2027) will vary depending upon the following **metrics**, with the following weights:

Weight	Target	Measurement criteria
25%	Profit before Taxes ("PBT")	PBT figure for FY2026 (ending 31 January 2027), expressed in euros, compared to the amount set by the Board of Directors as a target at the commencement of the second cycle.
25%	Store and Online Sales ("TTTT" (Spanish acronym))	Amount in euros of total store and online sales in FY2026 at constant currency at the end of FY2026 (ending 31 January 2027) according to the Company's information, measured against the amount set by the Board of Directors as a target at the commencement of the second cycle.
12.5%	Absolute Total Shareholder Return ("TSR")	Performance of an investment in Inditex shares over the period of the second cycle, determined by the ratio (expressed as a percentage) between the final value of a hypothetical investment in Inditex shares (reinvesting the dividends from time to time) and the initial value of that same hypothetical investment. The initial value is defined as the average weighted share price on the 30 trading days immediately prior to 1 February 2024 (exclusive) (€38.76) and the final value is defined as the average weighted share price on the 30 trading days immediately prior to 31 January 2027 (inclusive). To this end, for calculating such final value, the dividends or other similar amounts received by shareholders on said investment during the respective period of time will be considered, as if the gross amount thereof (before taxes) would have been reinvested in more shares of the same class on the first date on which the dividend or any similar amount is payable to shareholders and at the closing share price on that date. The TSR achieved will be measured against the target set by the Board of Directors at the commencement of the second cycle.

Weight	Target	Measurement criteria
12.5%	Relative Total Shareholder Return ("TSR")	The relative TSR is defined as the performance of an investment in Inditex shares compared to the performance of an investment in a Peer Group (as defined below) during the second cycle, determined by the difference (by subtraction) between Inditex's annualised TSR and the annualised TSR of this Peer Group. In order to calculate the performance of the investment in shares of Inditex and of each company in the Peer Group, we determine the quotient (expressed as a percentage ratio) between the final value of a hypothetical investment in shares (reinvesting the dividends from time to time) and the initial value of that same hypothetical investment. The initial value is the average weighted share price of each company on the 30 trading days immediately prior to 1 February 2024 (exclusive) (the "Initial Value"). The final value is the average weighted share price of each company on the 30 trading days immediately prior to 31 January 2027 (inclusive) (the "Final Value"). To this end, for calculating such Final Value, the dividends or other similar amounts received by shareholders on said investment during the respective period of time will be considered, as if the gross amount thereof (before taxes) would have been reinvested in more shares of the same class on the first date on which the dividend or any similar amount is payable to shareholders and at the closing share price on that date.
25%	Sustainability index (comprising 4 indicators)	(i) "Consumption of textile raw materials with a lower impact (referred to as preferred)": measured as the percentage of preferred textile materials in the FY2026 Winter campaign on the total purchase of the raw materials in that campaign. (ii)"Biodiversity Improvement": measured as the increase in the number of hectares that are protected, restored, regenerated or under other forms of biodiversity improvement management, between the start date of the second cycle (1 February 2024) and the end date (31 January 2027). (iii)"Decarbonisation": measured as the percentage reduction in the volume of Greenhouse Gas emissions (scope 3), in the category "purchased goods and services", between the start date of the second cycle (1 February 2024) and the date of its completion (31 January 2027). (iv)"Implementation of the Environmental Improvement Programme for Supply Chain Transformation": measured as the percentage of facilities in which the plan has been implemented over the total facilities targeted by the plan (cumulative data for the three FY2024, 2025 and 2026).

- For the purpose of calculating the payout ratio attained for each level of achievement of targets, a performance scale will be determined for each metric, set at the commencement of the cycle, which will include a minimum threshold below which no incentive will be paid, corresponding to a payout ratio of 30% of the maximum incentive granted, and a maximum level, corresponding to a payout ratio of 100% of the Maximum Incentive Granted. For intermediate levels, the results shall be determined by linear interpolation.
  - PBT, TTTT, absolute TSR and Sustainability index, the following will be measured:

Level of achievement	Level of Incentive (% of Maximum Incentive)
Below minimum	0%
Minimum	30%
Maximum	100%

  - Regarding the evolution of relative TSR:
    - The Peer Group is made up of 14 companies in the Retail industry with a potential impact in its listing due to similar external factors as Inditex, as indicated below: Nike, Fast Retailing, Lululemon Athletica, Adidas, H&M, Associated British Foods, VF Corporation, Burberry, Next, Puma, Zalando, JD Sports Fashion, Ralph Lauren Corporation and Hugo Boss (the "Peer Group").
    - The following will be calculated at the end of the second cycle:

      - Inditex's TSR and the TSR of each company in the Peer Group for the 2024-2027 period.

      - The arithmetic mean of the TSR of each company, resulting in the average TSR for the Peer Group.

      - Inditex's annualised TSR and the annualised TSR of the Peer Group.

Next, the difference (by subtraction) between Inditex's annualised TSR and the annualised TSR of the Peer Group will be calculated. This difference will be compared against the target set by the Board of Directors at the beginning of the second cycle and a payout ratio, ranging from 0% to 100% of the maximum incentive granted, will be applied in accordance with the specified scale.

In order to be eligible to receive the relevant incentive, as a general rule, beneficiaries must remain in the Company unti the expiry of the accrual period.

b) 2021-2025 LONG-TERM INCENTIVE PLAN

The first cycle (2021-2014) of the **2021-2025 Long-term Incentive Plan** approved at the Annual General Meeting held on 13 July 2021 expired on 31 January 2024. The features and amounts of the associated incentive are detailed in section B of this Report, that includes information on the enforcement of the Remuneration Policy in financial year 2023 (the **'2021-2025 Plan'**).

During 2024, the second cycle (2022-2025) of the 2021-2025 Long-term Incentive Plan is still in force. The incentive amounts and features are detailed below.

- The maximum amount of the incentive granted to the CEO amounts to:

Maximum Incentive	=	Cash	+	Shares
133 % of annual fixed remuneration		€1,331 thousand		71,472

- At the end of the cycle, the Remuneration Committee will assess the level of achievement of the targets and propose the amount in cash and the number of shares to be delivered. The achievement of objectives will be measured through identifiable and quantifiable parameters, called metrics.

The incentive for this second cycle (2022-2025) will vary depending upon the following **metrics**, with the following weights:

Weight	Target	Measurement criteria
25%	Profit before Taxes ("PBT")	PBT figure for FY2024, expressed in euros, compared to the amount set by the Board of Directors as a target at the commencement of the second cycle.
25%	Store and Online Sales ("TTTT" (*Spanish acronym*))	Amount in euros of total store and online sales in FY2024 at constant currency, according to the Company's information, measured against the amount set by the Board of Directors as a target at the commencement of the second cycle.
12.5%	Absolute Total Shareholder Return ("TSR")	Performance of an investment in Inditex shares over the period of the second cycle, determined by the ratio (expressed as a percentage) between the final value of a hypothetical investment in Inditex shares (reinvesting the dividends from time to time) and the initial value of that same hypothetical investment. The initial value is defined as the average weighted share price on the 30 trading days immediately prior to 1 February 2022 (exclusive) (€27.93), and the final value is defined as the average weighted share price on the 30 trading days immediately prior to 31 January 2025 (inclusive). To this end, for calculating such final value, the dividends or other similar amounts received by shareholders on said investment during the respective period of time will be considered, as if the gross amount thereof (before taxes) would have been reinvested in more shares of the same class on the first date on which the dividend or any similar amount is payable to shareholders and at the closing share price on that date. The TSR achieved will be measured against the target set by the Board of Directors at the commencement of the second cycle.

Weight	Target	Measurement criteria
12.5%	Relative Total Shareholder Return ("TSR")	The relative TSR is defined as the performance of an investment in Inditex shares compared to the performance of an investment in a Peer Group (as defined below) during the period corresponding to the second cycle, determined by the difference (by subtraction) between Inditex's annualised TSR and the annualised TSR of this Peer Group. In order to calculate the performance of the investment in shares of Inditex and of each company in the Peer Group, we determine the quotient (expressed as a percentage ratio) between the final value of a hypothetical investment in shares (reinvesting the dividends from time to time) and the initial value of that same hypothetical investment. The initial value is the average weighted share price of each company on the 30 trading days immediately prior to 1 February 2022 (exclusive) (the "Initial Value"). The final value is the average weighted share price of each company on the 30 trading days immediately prior to 31 January 2025 (inclusive) (the "Final Value"). To this end, for calculating such Final Value, the dividends or other similar amounts received by shareholders on said investment during the respective period of time will be considered, as if the gross amount thereof (before taxes) would have been reinvested in more shares of the same class on the first date on which the dividend or any similar amount is payable to shareholders and at the closing share price on that date.
25%	Sustainability index (comprising 4 indicators)	(i) Fibre consumption: measured as the reduction in percentage points of the weight of conventional fibres in total fibre consumption (in t), for the four fibres subject to a public commitment (cotton, polyester, man-made cellulosic fibres and linen). (ii) Water consumption: measured as the percentage reduction of water consumption (litre/kg) in the supply chain. (iii) Decarbonisation: measured as the percentage reduction in the volume of Scope 3 Greenhouse Gas emissions in the category "purchased goods and services". (lv) Social: measured as the percentage of suppliers of Inditex products that are classified with social ranking A and B.

- For the purpose of calculating the payout coefficient attained for each level of achievement of targets, a **performance scale** will be determined for each metric, set at the commencement of the cycle, which will include a minimum threshold below which no incentive will be paid, corresponding to a payout ratio of 30% of the maximum incentive granted, and a maximum level, corresponding to a payout ratio of 100% of the maximum incentive granted. For intermediate levels, the results shall be determined by linear interpolation.

- For PBT, TTTT, absolute TSR and sustainability index, the performance scale is the following:

Level of achievement	Level of Incentive (% of Maximum Incentive)
Below minimum	0%
Minimum	30%
Maximum	100%

Regarding the evolution of relative TSR:

- The Peer Group consists of 14 competitors in the textile industry whose share price can be potentially impacted by external factors similar to Inditex's, as shown below: Nike, Fast Retailing, Lululemon Athletica, Adidas, H&M, Associated British Foods, VF Corporation, Burberry, Next, Puma, Zalando, JD Sports Fashion, Ralph Lauren Corporation and Hugo Boss.

- The following will be calculated at the end of the second cycle:

  – Inditex's TSR and the TSR of each company in the Peer Group for the 2022-2025 period.

  – The arithmetic mean of the TSR of each company, resulting in the average TSR for the Peer Group.

  – Inditex's annualised TSR and the annualised TSR of the Peer Group.

  Next, the difference (by subtraction) between Inditex's annualised TSR and the annualised TSR of the Peer Group will be calculated. This difference will be compared against the target set by the Board of Directors at the beginning of the second cycle and a payout ratio, ranging from 0% to 100% of the maximum incentive granted, will be applied in accordance with the specified scale.

In order to be eligible to receive the relevant incentive, as a general rule, beneficiaries must remain in the Company until expiry of the accrual period.

A.1.7. Main characteristics of long-term savings systems.

Pursuant to the new Remuneration Policy, the CEO is not a beneficiary of any long-term saving system, including retirement and/or any other survivor benefit, partly or wholly funded by the Company. In any event, provision is made for the possibility that the Board of Directors may implement such a system for executive directors during its term.

A.1.8. Any type of payment or indemnification for early termination or dismissal, or deriving from the termination of the contractual relationship, in the terms provided, between the company and the director, whether at the company's or the director's initiative, as well as any type of agreement reached, such as exclusivity, post-contractual non-competition, minimum contract term or loyalty, that entitles the director to any kind of remuneration.

No severance pay has been agreed in case of termination of duties as director, except for that provided in subparagraphs (iii) and (iv) of the following section regarding the CEO for the performance of executive functions.

A.1.9. State the conditions that contracts should respect for those exercising senior management duties as executive directors.

Pursuant to the provisions of sections 249 and *529 octodecies* LSC and section 30.3 of the Board of Directors' Regulations, the relevant terms of the contracts entered into with the CEO are detailed below:

(i) Term

The CEO's contract has an indefinite term.

(ii) Notice period

Both in case of termination of the contract on account of certain grounds attributable to Inditex, and on account of voluntary resignation of the executive director, notice shall be given at least 3 months in advance. Such notice may be replaced with an amount equivalent to the fixed remuneration of the non-observed term of notice.

(iii) Termination clause

The CEO shall be entitled to severance pay in a gross amount equivalent to the remuneration of **two (2) years** calculated based upon the sum of his **annual fixed and variable remuneration**, established for the current year, where the relevant contract is terminated by unilateral decision of the Company, as well as in case of resignation tendered by the CEO under certain premises (including the succession in the company or a change in control in the Company that affects more than 50% of the share capital or of the voting rights, provided that a significant refreshment of the governing bodies of the Company or a change in the contents or purpose of the main business activity of the Company takes place at the same time, if such request for termination is made within six months of the occurrence of such succession or change. For such purpose, no succession or change in control shall be deemed to have taken place in the event of direct or indirect family succession in the ownership of the Company).

(iv) Agreement on exclusivity and post-contractual non-compete obligation

For as long as his contractual relationship with Inditex remains in force, the CEO shall perform his senior management functions exclusively for the Company and the Inditex Group, and he shall refrain from working either directly or indirectly for any third parties, or for his own account, even where the activities he may carry out would not compete with those of the Inditex Group. This provision does not apply to the office of non-executive director on the board of other companies which do not compete with Inditex, subject to the restrictions set out in the Board of Directors' Regulations.

Under the terms and conditions of his contract, compensation for the post-contractual non-compete obligation is included in the severance pay.

With regard to the post-employment non-compete agreement and as regards all members of the Board of Directors, irrespective of their directorship type, section 24.3 of the Board of Directors' Regulations provides that "a director who ends their term of office or for any other reason should cease to serve as a director may not serve as a director in any other company whose corporate objects are similar to that of the company for a 2-year period".

(v) Clawback provision

Pursuant to the provisions of section A.1 above, should (i) any event or circumstance occur that would result in the negative change or variation, in final terms, of the financial statements, results, economic data, performance data or otherwise, upon which the accrual and payment to the executive director of any amount in terms of variable remuneration would have been based, and, (ii) should such change or variation determine that, if they had become known at the date of accrual or payment, the executive director would have received a lesser amount than the one initially paid, the Company shall be entitled to claim from him clawback of any excess paid.

Additionally, as explained in section A.1 above, the Company may cancel and/or claim the clawback of the long-term incentive previously paid to the executive director, in full or in part, in the event of occurrence of certain unforeseen circumstances during the 2 years following the delivery of the incentive.

A.1.10. The nature and estimated amount of any other supplementary remuneration accrued by directors in the current year in consideration for services rendered other than those inherent in their position.

Directors will not receive in the current year any remuneration other than that accrued for the services rendered in their position.

A.1.11. Other items of remuneration such us any deriving from the company's granting the director advances loans or guarantees or any other remuneration.

The granting of advance payments, loans or guarantees to directors is not covered in the new Remuneration Policy.

As at the date of this Report, no advanced payment, loans or guarantees have been granted to any director.

A.1.12. The nature and estimated amount of any other planned supplementary remuneration to be accrued by directors in the current year that is not included in the foregoing sections, whether paid by the company or by another group company.

No supplementary remuneration other than the one explained above is provided in the new Remuneration Policy.

As at the date of this Report, no supplementary remuneration has been accrued to directors in consideration for services rendered other than those inherent in their position, nor any additional remuneration item other than those addressed in the sections above.

A.2. Significant changes in the Remuneration Policy applicable in the current year.

No changes to Inditex's new Remuneration Policy are expected in 2024. The Policy expires on 31 January 2027.

The Board of Directors plans to submit for approval at the 2024 Annual General Meeting the Annual Report on Remuneration of Directors for the year ended 31 January 2024 (to be submitted to an advisory say-on-pay vote).

A.3. Direct link to the document containing the company's current remuneration policy, which must be available on company's website.

A link to the new the Remuneration Policy applicable for financial year 2024 is provided below:

https://www.inditex.com/itxcomweb/api/media/9bd73862-1bb5-4338-affb-2d397dc74485/Politica+Remuneraciones+2024+2025+y+2026.pdf?t=1696953293225

A.4. Consideration on the voting by the General Shareholders' Meeting on the annual report on remuneration for the previous year.

The 2023 AGM approved the following:

- The Directors' Remuneration Policy for financial years 2024, 2025 and 2026 with 98.37% of votes in favour.
- The Annual Report on the Remuneration of Directors for financial year 2022 with 97.64% of votes in favour.
- The 2023-2027 Long-Term Incentive Plan, for members of the Management Team, including the executive director and other Inditex Group employees, with 98.94% of votes in favour.

Since the first directors' remuneration policy was approved, the Annual Reports on the Remuneration of Directors have been broadly supported by shareholders in the advisory say-on-pay vote and, in addition, by institutional investors and proxy advisors.

B. Overall summary of how remuneration policy has been applied during the year ended

The Directors' Remuneration Policy for financial years 2021, 2022 and 2023 of Inditex was approved at the Annual General Meeting held on 13 July 2021 ("2021 AGM") with 98.42% of votes in favour.

Subsequently, the Annual General Meeting held on 12 July 2022 ("2022 AGM") approved the partial amendment to such Policy with 98.6% of votes in favour. The purpose of the amendment brought forward by the Board of Directors, following a substantiated proposal of the Remuneration Committee, was to adapt the contents of the Policy to the new corporate governance structure – approved in 2021, which took full effect in financial year 2022-, with the full separation of the position of Chair of the Board of Directors and CEO, with a new Chair without executive functions, and a single executive director.

Therefore, although the term of the Directors' Remuneration Policy for the financial years 2021, 2022 and 2023 ended on 31 January 2024, the remuneration policy applicable for the financial year 2023 is the result of the amendments to the Remuneration Policy approved at the 2022 AGM.

The following sections detail the application of the Remuneration Policy applicable to financial year 2023.

B.1.1. Process followed to apply the remuneration policy and determine the individual remuneration contained in Statistical Appendix. Role of the Remuneration Committee, decisions made by the Board of Directors and role played by external advisors.

B.1.1. a) Remuneration Committee's membership

As provided in Article 30 of the Articles of Association, section 17 of the Board of Directors' Regulations, and section 7 of the Remuneration Committee's Regulations, the Remuneration Committee shall be made up of a number of at least 3 and at most 7 non-executive directors, a majority of whom must be independent directors.

Members of the Remuneration Committee are appointed by the Board of Directors following a report from the Nomination Committee. The Chair of the Remuneration Committee is also appointed by the Board of Directors, out of the independent members of such Committee.

As at 31 January 2024 and as at the date of this Report, the Remuneration Committee was made up of the following members, **most** of them **independent directors** (all, except Mr José Arnau Sierra, proprietary director):

Mr Rodrigo Echenique Gordillo (Chair, Independent Director)	Bns. Denise Patricia Kingsmill (Member, Independent Director)
Mr José Arnau Sierra (Member, Proprietary Director)	Mr José Luis Durán Schulz (Member, Independent Director)

As at 31 January 2024, Mr Javier Monteoliva Díaz is the Secretary non-member of the Committee, having been appointed by the Board of Directors following a favourable report from the Nomination Committee, on 29 November 2021.

The Remuneration Committee meets whenever it is deemed appropriate for it to be effective, and in any case, whenever the Board of Directors or its Chair requests the issuing of a report or the adoption of proposals within its purview. Moreover, the Remuneration Committee shall hold a regular meeting every year to prepare the information on the remuneration of directors, which the Board of Directors has to approve and include as part of its annual public documentation.

During the meeting that the Board of Directors holds immediately after each meeting of the Remuneration Committee, the Chair of the latter apprises Board members of the business transacted in the course of such meeting.

B.1.1. b) Process followed to enforce the Remuneration Policy and determine individual remunerations.

The duties of the Remuneration Committee are covered in Article 30 of the Articles of Association, section 17 of the Board of Directors' Regulations and sections 5 and 6 of the Remuneration Committee's Regulations.

The Remuneration Committee met four (4) times in 2023, with the attendance of all its members (either in person or by proxy). This represents a a 94% attendance rate.

In financial year 2024 to the date of release of this Report, the Committee has met once.

At the aforementioned meetings, the Remuneration Committee has discussed, inter alia, the following matters and has resolved, where appropriate, to submit them to the Board of Directors for approval:

- At the meeting held on 13 March 2023:
  - In relation to the remuneration of the CEO, the Committee agreed to submit to the Board of Directors the following proposals:
    - The evaluation of the level of achievement of the targets tied to the variable remuneration of the CEO for financial year 2022 (approved in 2021), and the corresponding payout level in the aforementioned financial year.

  ◦ The proposal of the items and criteria to determine the remuneration of the CEO for the performance of his duties and responsibilities as chief executive for financial year 2023.

  The Board of Directors approved at its meeting of 14 March 2023, the achievement of these objectives and the corresponding level of payout, as well as the total remuneration accrued in 2022 for the CEO, and the proposed remuneration of Mr García Maceiras for financial year 2023.

  – In relation to the 2019-2023 Long-term Incentive Plan, the Committee assessed the level of achievement of the objectives of the second cycle (2020-2023) of the Plan linked to the long-term variable remuneration of the CEO and members of the Management Team for financial year 2022 and the corresponding level of payout.

  Furthermore, and on the basis of a projected presentation, the Committee discussed the outcome of the external auditors' report of agreed procedures, in accordance with International Standard on Related Services (ISRS) 4400 (Revised), in relation to the calculation of the "Total Shareholder Return (TSR)" and the degree of achievement of the target assigned to the Sustainability Index for this second cycle (2020-2023) of the 2019-2023 Plan.

  The Board of Directors approved, at its meeting of 14 March 2023, the level of achievement of the targets and the corresponding payout level proposed by the Remuneration Committee.

  – In relation to the Annual report on Remuneration of Directors for financial year 2022, the Committee reported favourably on the draft report, assessing the appropriateness of the total remuneration accrued by the Board of Directors to the concepts and amounts contemplated in the then current version of the Directors' Remuneration Policy for financial years 2021, 2022 and 2023.

  This report was approved by the Board of Directors at its meeting of 14 March 2023 and, in addition, by the Annual General Meeting in an advisory say-on-pay vote.

• At the meeting held on 5 June 2023, the Committee reported favourably on the proposed new Directors' Remuneration Policy for financial years 2024, 2025 and 2026, issuing the relevant explanatory report, which was ratified by the Board of Directors at its meeting held on 6 June 2023.

  This Policy was finally approved at the Annual General Meeting on 11 July 2023, having been put to an advisory say-on-pay.

• At the meeting held on 11 December 2023:

  – In relation to the 2021-2025 Long-Term Incentive Plan, the Committee assessed the preliminary levels of achievement and payout for certain metrics linked to the two ongoing cycles of the 2021-2025 Plan.

  – In relation to the new 2023-2027 Long-Term Incentive Plan, the Committee proposed (i) the targets for each of the metrics for the first cycle (2023-2026) of the 2023-2027 Plan and the calibration of their corresponding performance scales (and other related aspects) and (ii) the proposal for the draft Regulations of the Plan, and reported favourably on the different levels of beneficiaries of the aforementioned first cycle of the Plan, as well as the criteria for their individual designation.

  The Board of Directors approved the above-mentioned proposals and the text of the Regulation of the Plan at its meeting on 12 December 2023.

• At the meeting held on 11 March 2024:

  – It has evaluated the level of achievement of the targets tied to the annual variable remuneration and the first cycle (2021-2024) of the CEO's 2021-2025 Long-Term Incentive Plan, corresponding to financial year 2023. The Board of Directors assessed and approved the level of achievement of these targets at its meeting of 12 March 2024.

  – It has submitted to the Board of Directors the proposal on the CEO's remuneration for the performance of executive functions in 2024, with regard to the amount and the remaining terms thereof. Such proposal was approved by the Board of Directors on 12 March 2024.

  – It has submitted the draft of the Annual Report on Remuneration of Directors for financial year 2023 to the Board of Directors for evaluation and approval. The Board of Directors approved such Report on 12 March 2024 and resolved to submit it to an advisory say-on-pay vote at the 2024 Annual General Meeting.

The information on the remaining proceedings of the Remuneration Committee in 2023 will be included in the Annual Corporate Governance Report and in the Annual Activities Report of the Remuneration Committee, which will be published in June.

B.1.1. c) Identity and role of external advisors.

To better perform its functions, the Remuneration Committee may request the Board of Directors to engage legal, accounting, financial or other experts at the expense of the Company.

In this regard, the Remuneration Committee has been advised in financial year 2023 by WTW, an independent consultant specialising in the field of compensation of directors and senior managers, (i) in the preparation of the Annual Report on the Remuneration of Directors for financial year 2022, (ii) the design of the 2023-2027 Long-Term Incentive Plan, (iii) the preparation of remuneration benchmarking on the remuneration of non-executive chairs of the board of directors and executive directors with full executive functions, and, (iv) the drafting of the new Directors' Remuneration Policy for financial years 2024, 2025 and 2026.

B.1.2. Explain any deviation from the procedure established for the application of the remuneration policy that has occurred during the year.

There were no deviations from the established procedure in the application of the Remuneration Policy in financial year 2023.

B.1.3. Temporary exceptions to the remuneration policy and exceptional circumstances that have led to the application of these exceptions, the specific components of the remuneration policy affected and the reasons why the company deems that these exceptions have been necessary to serve the long-term interests and sustainability of the company as a whole or to ensure its viability. Quantification of the impact the application of these exceptions has had on the remuneration of each director in the financial year.

No temporary exceptions to the Remuneration Policy have been applied in financial year 2023.

B.2. Actions taken to align the remuneration system with the long-term targets, values and interests of the Company, and measures to guarantee that the long-term results of the Company have been taken into consideration in the remuneration accrued. Actions taken regarding the remuneration system to reduce exposure to excessive risks and measures to avoid conflicts of interest.

B.2.1. Actions taken to align the remuneration system with the long-term targets, values and interests of the Company, and measures to guarantee that the long-term results of the Company have been taken into consideration in the remuneration accrued.

The measures taken in 2023 to ensure that **long-term results** of the Company **are considered** in the **application** of the Remuneration Policy are described below:

- The CEO' total remuneration comprises different remuneration elements, mainly consisting of: (i) a fixed remuneration, (ii) a short-term variable remuneration (annual), and (iii) a long-term variable remuneration (multi-year).
- In financial year 2023, this long-term element had a weighting of 38.9% of the accrued total remuneration (fixed + short-term variable + long-term variable).
- Long-term variable remuneration plans are part of a multi-year framework to ensure that the evaluation is based upon long-term results and that the underlying economic cycle of the Company is considered therein.
- Part of this remuneration is granted and delivered in shares, based upon shareholder value creation, so that the interests of the executive director and officers are aligned with shareholders' interests.
- The CEO has undertaken to hold for a term of at least 3 years the net shares that he may receive as a result of any element of variable remuneration, until he holds a number of shares equivalent to at least 2 years of his fixed remuneration. In any case, once this shareholding target has been reached, the CEO must comply with the holding obligations under the long-term incentive plans, which involve holding a number of shares equivalent to the incentive received in shares, net of applicable taxes, for two years after their delivery. This obligation will persist, in respect of the shares the CEO receives from the 2023-2027 Long-Term Incentive Plan, even after the termination of the relationship with the Company, as detailed in section A.1.1 above.

These measures result in a better alignment of the interests of the CEO with those of the shareholders.

The Remuneration Policy in effect in 2023 set an **appropriate balance between fixed and variable** items of the remuneration as described below:

- The design of the remuneration scheme shows an efficient balance between fixed and variable items, as described in section A.1. above.
- Variable remuneration items were flexible enough to allow their shaping, to the extent that it was possible that no amount was paid on in terms of variable remuneration, whether annual or multi-year; in such case, fixed remuneration would have represented 100% of total compensation.
- Variable remuneration is not guaranteed.

B.2.2. Actions taken regarding the remuneration system to reduce exposure to excessive risks and measures to avoid conflicts of interest.

The **measures** taken in 2023 with regard to **those members of staff** whose professional activity may have a **material impact on the risks profile** of the Company were:

- The Remuneration Committee was the internal body responsible for considering and reviewing the application of the principles, criteria and other terms of the Remuneration Policy in relation to directors, but also with respect to the application of the remuneration policy for the Groups's senior managers. Those professionals whose activity may have a material impact on the risks' profile of the Company are included among them.

- All members of the Remuneration Committee also sit on the Audit and Compliance Committee. Therefore, the Chair of the Remuneration Committee is a member of the Audit and Compliance Committee. This ensures that risks associated to remuneration are considered in the course of the debates of the Remuneration Committee and of the Audit and Compliance Committee and in proposals submitted by both Committees to the Board of Directors, on both the determination and the process to assess annual and multi-year incentives.

- Likewise, two ordinary members of the Remuneration Committee also sit on the Sustainability Committee. In particular, the Chair of the Sustainability Committee is a member of the Remuneration Committee. The Sustainability Committee is responsible for overseeing and monitoring proposals in the field of sustainability, on social and environmental issues, on health and safety of the products that the Company places on the market, and the relations with the different stakeholders in the field of sustainability. Thus, the fact that the same directors sit on different committees allows ensuring that alignment with the Group's priorities in the field of sustainability for all its stakeholders is considered upon establishing and enforcing the terms of the Remuneration Policy.

With regard to **clawback** provisions in order to be entitled to claim the refund of variable items of the remuneration that are based on results, when such items have been paid on the basis of information clearly shown later to be inaccurate:

- A clawback clause is included in the contract executed with the executive director in respect of variable items of his remuneration in such cases. Additionally, the Company may cancel and/or claim the refund of the long-term incentive previously paid in full or in part, upon occurrence of certain unforeseen circumstances, as described in section A.1 above.

- The Remuneration Committee may propose to the Board of Directors the cancellation of payment or, where appropriate, the refund of the variable items of the remuneration of directors based on results, when they have been paid on the basis of information clearly shown to be inaccurate, as well as the termination of the relationship with the relevant manager and the filing of the relevant claims, pursuant to the terms of section 6 of the Remuneration Committee's Regulations.

The measures taken to detect, determine and resolve potential **conflicts of interest** have been addressed in section A.1.2.c) above.

B.3. How the remuneration accrued in the financial year complies with the provisions of the applicable remuneration policy and how it contributes to the long-term and sustainable performance of the company. Relationship between the remuneration accrued by the directors and the results or other performance measures of the company in the short and long term.

The new Remuneration Policy described in section A above is consistent with the terms of the Directors' Remuneration Policy for financial years 2021, 2022 and 2023, applied in financial year 2023, as both the remuneration structure and the design and amounts of the remuneration items corresponding to the CEO, as well as those corresponding to the rest of the directors in their capacity as such provided for in the new policy, have remained unchanged in the new policy. Therefore, everything described in section A.1. above is applicable to this section.

The amounts set out in said section A.1 above are the only remuneration paid in 2023 to directors in their status as such for membership on the Board of Directors of Inditex, or of any Group companies, except for the remuneration of the executive director for the performance of senior management functions. Directors have not received any other remuneration under a profit-sharing scheme or bonus, nor any remuneration systems or schemes covering a variable remuneration or based on results or other indicators of performance of the Company.

As regards the CEO, certain items of their remuneration for the performance of senior management functions are tied to results and other indicators of performance of the Company. In particular, in 2023:

- **Short-term or annual variable remuneration:**

As explained below, the Board of Directors resolved, on the proposal of the Remuneration Committee, that the annual variable remuneration for the CEO, Mr Óscar García Maceiras in financial year 2023 should be determined in accordance with the following criteria:

Weighting	Target	Measurement criteria
70%	Net sales (35%) and contribution margin (35%)	The same criteria established for senior managers according to the budget of the Company are applied.
15%	CEO's individual performance	Assessment by the Board of Directors, on the proposal of the Nomination Committee.
	Strategic development of the Company	Boost of store and online integration, through the development and implementation of new processes and tools allowing to provide a differentiated customer experience, along with the ongoing development of new initiatives that strengthen our values of sustainability and responsibility pursuant to the Group's objectives.
15%	Progress in the implementation of the strategy towards global sustainability, measured against the following indicators[1]:	(i) Increase in the use of lower impact fibres, measured through the use of raw materials from preferred sources: cotton, linen, polyester and cellulosic fibres. (ii) Degree of progress in the plan for the environmental improvement of the supply chain, focused on reducing water and energy consumption. (iii) Degree of compliance with our commitment that by 2023, all waste generated at our corporate headquarters, logistics centres, factories and own stores will be properly collected and managed. (iv) Degree of compliance with our 2023 target that all package materials will be collected for subsequent reuse in our supply chain. (v) Development of additionality mechanisms in renewable energy infrastructure. (vi) Degree of implementation of environmental projects related to the initiative to charge for paper bags and envelopes at the stores. (vii) Progress in the elimination of single-use plastics from customer sales; (viii) Innovation project related to textile recyclability.
	Progress in corporate governance	Degree of compliance with the recommendations of the Good Governance Code of Listed Companies and alignment with international best practices.
	Progress in implementing diversity and compliance programmes	Approval of internal regulations and degree of international roll-out.

[1] Neither the sustainability objectives themselves nor their calculation methodology have changed with respect to what was published in the previous year's report. It is a mere terminological adaptation to the evolution of sustainability initiatives.

In order to assess the criteria above for the purpose of determining the CEO's annual variable remuneration for financial year 2023, the Remuneration Committee has taken into account the target achievement levels and the performance scales associated with each target, with their corresponding slopes (i.e., the relation between the level of achievement and the payout level):

- Inditex Group's net sales were €35.947 billion in financial year 2023, beyond the maximum achievement scenario which implies a 125% payout level for this target.
- Contribution margin reached €6.640 billion in financial year 2023, beyond the maximum achievement scenario, which implies a 125% payout level for this target.

The results achieved in financial year 2023 show an excellent operational performance of the Company in a global context of high financial volatility, uncertainty and cost inflation, which has led to the need for very efficient management in all the Group's cost centres, in particular, those related to sales costs and operating expenses.

These efficiencies have allowed for a leverage of operating expenses in terms of their evolution with respect to sales and an inventory position throughout financial year 2023 normalised and adapted to the

Company's business model following the strong supply chain tensions recorded in the previous financial year 2022.

The deepening of the Group's commercial space transformation continues through numerous actions in terms of openings, closures, absorptions and reforms, aimed at creating a privileged space for the exhibition of the commercial offer in an omnichannel and eco-efficiency framework.

The soundness of the Group's financial position, €11.406 billion at year-end, is a guarantee of the financial solvency, consequence of a very positive evolution of the cash generated by operating activities. This net cash position constitutes the best guarantee of the Group's solvency and financial liquidity, the coverage of the investment needs that the Company's future operational development may require, and an attractive and predictable remuneration policy for our shareholders.

These results have translated into the positive performance of the stock. The market capitalisation of Inditex at the close of financial year 2023 reached €123.762 billion.

- For the remaining targets, with a 30% weight, the Remuneration Committee has assessed a level of achievement and a payout level of 125% for these targets. In this respect, the Remuneration Committee has considered the following:

  – The findings of the **evaluation of the CEO's performance,** carried out by the Board of Directors at the meeting held on 12 December 2023, following a report from the Nomination Committee, having achieved a high score. In this evaluation, his main role as an advocate of good corporate governance practices was once again highlighted, mainly as regards his endeavours towards information transparency. In addition, the high-quality collaboration between the CEO and the Chair of the Board, marked by a fluent relationship, good communication and a solid professional rapport with well-defined responsibilities, has been highlighted.

    All of which has contributed to a substantial improvement in the working dynamics of the meetings of the Board and its committees.

  – In terms of progress related to the **Company's strategic development**, throughout 2023, the Group has defined four priorities: improving the fashion proposition, enhancing the customer experience, increasing the focus on sustainability, and preserving the talent and commitment of our people. With this objective, initiatives have been developed in all these key areas, such as the constant updating of our commercial offer, the new store design for Zara, shown in locations such as Dubai Mall, Rotterdam Coolsingel or Miami Dadeland, the installation of physical equipment to implement new security technology and eliminate hard alarms, the new weekly livestream experience through Douyin in China, the new online size recommender, the expansion of Zara Pre-owned to 16 European markets or the training programme in sustainability The Sustainable Fashion School.

  – Progress has continued in 2023 towards achievement of **sustainability targets** in accordance with the current Road Map. Thus:

    - Growth in the use of lower impact fibres, measured against the use of raw materials from preferred sources: cotton, linen, polyester and cellulosic fibres: in recent years we have worked on boosting the use of fibres from preferred sources. As a result of the efforts made in this regard, in Winter 2023 the consumption of cotton, linen, polyester and cellulosic fibres from preferred sources represented 79% of the total consumption in such fibres, an 8.5 point increase compared to the previous year.

    - Degree of progress in the plan for the environmental improvement of the supply chain, focused on reducing water and energy consumption: in 2023 progress has been made in improving compliance with *Green to Wear (GTW)*, our environmental standard attaining 86% of factories with ranking A and B.

      Promotion of the optimisation of water consumption by our factories has also continued thanks to the *Care for Water (CFW)* programme.

      The environmental improvement plans project started in 2022 has also been advanced by increasing the number of adherent facilities. The aim is for the Group's main facilities to create action plans for different environmental impacts, such as water, energy, and chemical management.

    - Degree of compliance with our commitment that by 2023, all waste generated in our corporate headquarters, logistics centres, factories and own stores has been properly collected and managed: in 2023, 100% of the waste generated in our facilities has been collected, classified and managed by an authorized waste manager, to allow its reuse or recycling and prevent its deposit in a landfill.

    - Degree of compliance with our 2023 target for all packaging materials to be collected for subsequent reuse in our supply chain: In 2023, 100% of cardboard and paper collected at all sites, especially boxes, was intended for reuse and/or recycling.

    - Development of additionality mechanisms in renewable energy infrastructure: at year-end, we have two virtual power purchase agreements (VPPA) for periods of 10 and 12 years, with a total installed capacity of 136 MW. The associated projects are at development stage, in some cases pending administrative authorization, and are expected to be in operation in 2025.

These agreements allow us to consume renewable energy regardless of where our operations are based, while adding clean energy to the grid.

- Degree of implementation of environmental projects related to the initiative to charge for paper bags and envelopes in stores: in 2021 Inditex began to promote the use of reusable bags in its stores to reduce the consumption of raw materials, water and energy associated with the paper bags and envelopes that it hands to its customers with their purchases. To encourage customers to bring their own bags, Inditex also began to charge for the bags and envelopes handed, having extended this measure in 2023 to most of the markets where it operates.

  Thanks to the proceeds from this initiative, from which Inditex does not obtain any economic benefit, projects have been supported in 21 countries focused on protecting and restoring nature, saving natural resources, and promoting regenerative practices.

- Degree of progress in the elimination of single-use plastics to customers: in 2023 alternative solutions were found to all single-use plastic elements reaching the customer. It is estimated that, as a result of the application of alternative solutions, 95% of the weight of single-use plastic elements was eliminated.

- Innovation projects related to textile recyclability: in 2023, work has continued on the Sustainability Innovation Hub (SIH) and in the field of collaboration with startups, this platform grew considerably from 200 to more than 350 startups working to incorporate new materials, improve production processes and achieve progress in aspects of traceability, packaging, and use and end of life.

  The SIH has also focused on catalysing pilot projects and demonstrations in 2023. As a result, more than 35 innovations have been piloted and collections have been launched with various startups, such as NILIT and CIRC, with Zara Woman, Circular Systems, with Zara Home, and Ambercycle, with Zara Athleticz, as a first milestone in the path of our continued collaboration. LOOPAMID® x ZARA has also been launched in 2023, a capsule in which the brand has collaborated with various companies, including chemical company BASF. For this launch, ZARA Studio has developed a monomaterial jacket made entirely of LOOPAMID®, a polyamide that is fully created from textile waste. In addition, the forward purchase agreement has been signed with the American start-up Ambercycle, for the purchase of its recycled polyester chips composed of 100% textile waste, for a value of more than 70 million euros.

– Progress in **corporate governance.**

  In terms of the composition and structure of the corporate bodies and their organization and proceedings, financial year 2023 was the year in which the strong commitment to the continuous and permanent reinforcement of good governance practices has become evident, in line with the progress made in recent years.

  - Among other aspects, the following deserve special mention, as far as commitment to a diverse board membership is concerned: (i) the elimination of the existing age limit for the exercise of the position of Director of Inditex, thus avoiding any type of bias that could be discriminatory and promoting talent, and (ii) the constant effort of Inditex to achieve the highest levels of female representation on the supreme governing body. In 2022, with five (5) women on the Board, the target set in 2020 of 40% of female directors over the total number of its members was exceeded, and **in 2023 parity between men and women (50/50) has been reached on the Board of Directors of Inditex**.

With this, Inditex is also above the targets set for the least represented gender provided for in Directive (EU) 2022/2381 of the European Parliament and of the Council of 23 November 2022 on a better gender balance among directors of listed companies and related measures, to be achieved by June 2026, of 40% in relation to non-executive directors or 33% of all directors, regardless of whether they are executive or non-executive directors. Furthermore, the percentage of women on the Board of Directors of Inditex is above the average of the companies in the Ibex 35 index

In addition, in 2023 Inditex has given a strong boost to the consolidation of a robust governance structure in cybersecurity, with the creation of the new Cybersecurity Advisory Committee, whose main function, as a permanent internal body, of an advisory and consultative nature, and without executive functions, is to provide strategic and independent advice to the corresponding governing bodies and to the Company's Management on cybersecurity, its regulations, best practices and emerging risks that could affect the Company.

Proof of the robustness of its corporate governance system, is that in 2023, Inditex has carried out, with the help of an independent external advisor, an evaluation of such system taking as a reference the indicators that make up the Good Corporate Governance Index of AENOR, Version 2.0 (IBGC), which determines the degree of compliance in good governance based on 7 variables (i.e., composition of the Board of Directors, functioning and competencies of the Board of Directors, Board of Directors' Committees, Board of Directors' remuneration, General Shareholders' Meeting, transparency and other aspects of good governance and compliance) and 34 indicators, including 165 assessment criteria.

As a final result, in this IBGC evaluation process, an assessment has been obtained that is associated with an estimated Good Corporate Governance Level or AENOR certificate of G++ (highest possible rating).

- With regard to progress in terms of **Compliance**, several projects and initiatives were implemented in financial year 2023, among which the following are worth highlighting:

  - Code of Conduct: during financial year 2023, the process of reviewing and updating the previously named Code of Conduct and Responsible Practices (initiated in 2022) has been completed, in order to align its contents, structure and approach to the new realities and regulatory challenges, as well as to the commitments assumed by the Company in various areas. This process culminated on 6 February 2024, with the approval of the new version of the Code of Conduct by the Board of Directors, following a report from the relevant board committees. In accordance with best practices, the review process has been carried out with the collaboration of a representative number of the Company's areas and markets, external advisors from multiple jurisdictions, and the Inditex Social Advisory Board, as the main liaison with our Stakeholders.

  - Ethics Line: in financial year 2023, the Policy on the Internal Reporting Channels of the Group has been approved and the Ethics Line Procedure has been amended. Both regulations incorporate the best international practices in the field of human rights and adapt the Inditex Group's Ethics Line to the requirements applicable in the markets in which the Group operates, in particular, to those derived from the transpositions into the different national laws of Directive (EU) 2019/1937 on Whistleblower Protection, which include, among others, the protection of personal data and the rights of the users of the whistleblower mechanisms. In line with best practices in this area, in financial year 2023, a tool was contracted and put into operation that allows the reception and management of concerns sent to the Ethics Line. This tool is available 24 hours a day, 7 days a week.

  - Global Compliance Model and integration of Models: during the financial year, the General Counsel's Office - Compliance has initiated or developed several projects for the evolution of several core elements of the Global Compliance Model (such as the review of the Code of Conduct and the Ethical Line). In financial year 2023, (i) the integration of the Criminal Risk Prevention Model and the existing local Compliance models into the Global Compliance Model continued, with the aim of integrating the existing risk and control matrices into a corporate Matrix, taking into account the statutory requirements, international best practices and local regulations; (ii) the updating of the Organization, Management and Control Model ("Model 231") of the Group's company in Italy was completed, in accordance with Legislative Decree no. 231 of 8 June 2001; (iii) a review of the corporate taxonomy of compliance risks and an identification of the main processes exposed to compliance risks has been carried out; and (iv) a process of evolution of the compliance risk assessment methodology has been started.

  - Compliance training: during financial year 2023, we continued with the implementation of the Compliance Training Plan, which includes training, awareness and sensitization actions aimed at covering the priority Compliance risks to which the Group is potentially exposed. The Training Plan, aimed at Group employees and third parties (e.g. suppliers), covers the following subjects: Code of Conduct, Code of Conduct for Manufacturers and Suppliers, Ethics Line, Anti-corruption and integrity (Integrity Policies and Conflict of Interest Policy), Prevention of criminal risks, Due diligence and Prevention of market abuse and protection of inside and/or confidential information. In this context, during 2023, the General Counsel's Office-Compliance has provided specific training (in person or online) aimed at groups that are, either on account of the position they hold and the responsibility they assume, or of the type of activity they perform, exposed to a higher risk of committing non-compliance in Compliance matters. In addition, a training talk (Compliance Talk) was held in which the General Counsel's Office-Compliance was assisted by the heads of various areas of the Company, with the aim of raising awareness of internal regulations and the corporate ethical culture, the proper management of conflicts of interest and the use of the Ethics Line, as well as the protection of the Company's information, through specific examples of situations that may arise in the day-to-day work of employees. During financial year 2023, a total of 23,154 employees have been trained (in person or online) in Compliance, an increase of 9% compared to financial year 2022.In addition, 783 product suppliers, representing 54% of the Group's product purchasing volume, received e-learning training on Compliance.

  - Internal Regulations: during financial year 2023, internal regulations have been reviewed to bring them into line with statutory requirements, best practices or the Group's operations. In total, 3 policies, 4 procedures, 5 terms of reference, 1 charter and other internal corporate regulations of lower rank or local scope have been approved and/or amended. Among them, the Board of Directors has approved the Policy on Internal Reporting Channels of the Inditex Group and the Regulations of the Cybersecurity Advisory Committee and has amended the Global Anti-Harassment Policy (to extend the scope of the previous Global Policy for the prevention of sexual harassment and harassment based on sex or gender identity at work, approved in 2022, to the prevention of any type of harassment), the Community Investment Policy, the Ethics Line Procedure, the Board of Directors Regulations, the Audit and Compliance Committee Regulations and the Regulations of the Ethics Committee.

- As regards progress in the area of **Diversity and Inclusion**, during this year 2023, progress has continued to be made in the area of Diversity and Inclusion in different fields. In May 2023, on the occasion of the World Day for Cultural Diversity for Dialogue and Development, Inditex presented worldwide the "Diversity and Inclusion Manifesto" that puts the spotlight on the Group's corporate purpose "We design opportunities for all people". This Manifesto aims to promote the values that represent the Company's commitment to diversity, equality and inclusion. In addition, internal knowledge of the Group's Diversity and Inclusion Policy has been reinforced through e-learning

training within the Group's own Diversity and Inclusion Channel, on the "Tra!n" training platform. In 2023, more than 124,000 people have accessed this channel, with more than 46,000 training hours completed in this area. The role of "Diversity Champions" has also been strengthened. They are present in all the Group's markets and formats, and they act as internal ambassadors of the Diversity Policy and strategy and contribute to implementing initiatives locally and adapted to the needs of each market. On the other hand, integrating people with disabilities has been one of the priorities this year through the "INcluye" program. For the first time, the threshold of 2,000 people with disabilities working in the Company globally has been exceeded, which represents more than 1.3% of the workforce and is close to the target of 2% of people with disabilities worldwide to be reached by the end of 2024.In this context, in October 2023, the "Impact Week", the week dedicated to disability inclusion, was held for the fourth straight year, with the participation of the vast majority of subsidiaries, headquarters and logistics centres. In addition to working for disability inclusion, the commitment to LGBTI+ inclusion has been reinforced through the "I Am Proud" initiative, and to gender equality through programs such as "Women IN Tech" and the GEEIS (Gender Equality & Diversity European and International Standard) certification. Finally, the "SALTA" project, for socio-ethnic inclusion, has completed 15 years as a driver of employment for people in vulnerable situations. In 2023, SALTA was launched in Canada and Croatia, joining France, Spain, Italy, Portugal, Poland, Brazil, the United States, the United Kingdom, Germany, Mexico, Greece, South Korea, Turkey, Romania, India and Kazakhstan, for a total of 18 markets. In these 15 years, 1,700 people have been assisted in accessing the labour market in the stores, logistics centres and offices of the Inditex Group. In short, financial year 2023 has been a year that has allowed us to continue reinforcing the values of respect, equity and non-discrimination in the Company.

Therefore, on the proposal of the Remuneration Committee, the Board of Directors resolved an overall payout level of the annual variable remuneration for financial year 2023 for the CEO equivalent to 125% of target, i.e. €3,750 thousand (150% of his annual fixed remuneration).

- **Multi-year or Long-term variable remuneration:**

On 31 January 2024 the first cycle (2021-2024) of the 2021-2025 Long-Term Incentive Plan, approved at the Annual General Meeting on 13 July 2021, came to an end.

The features and amounts for the first cycle (2021-2024) are set out below:

- This cycle began on 1 February 2021 and ended on 31 January 2024.
- The amount of the incentive for the first cycle (2021-2024) assigned to the CEO was as follows:

Maximum Incentive	=	Cash	+	Shares
118% of fixed remuneration		€1,183 thousand		68,562 shares

In the specific case of the first cycle (2021-2024), the amount indicated includes the total incentive allocated for the full cycle taking into account the different positions held by the CEO, i.e., the amount allocated for the performance of his duties as General Counsel and Secretary of the Board during financial year 2021 and the amount allocated as CEO, in accordance with the Remuneration Policy approved at the 2021 AGM, in force at the time of such allocation. The incentive, expressed as a percentage of the fixed annual remuneration, is calculated on a fixed annual remuneration of €2,500 thousand (this amount corresponds to the fixed annual remuneration established for the CEO, in accordance with the Remuneration Policy).

- The metrics to which this cycle is tied, and their weightings, are the following:

Weighting	Target	Measurement criteria
25%	Profit before Taxes ("PBT")	PBT figure for FY2023, expressed in euros, compared to the amount set by the Board of Directors as a target at the commencement of the first cycle.
25%	Store and Online Sales ("TTTT" (*Spanish acronym*))	Amount in euros of total sales in store and online in FY2023 at constant currency, according to the Company's information, measured against the amount set by the Board of Directors as a target at the commencement of the first cycle.
12.5%	Absolute Total Shareholder Return ("TSR")	Performance of an investment in Inditex shares over the period of the first cycle, determined by the ratio (expressed as a percentage) between the final value of a hypothetical investment in Inditex shares (reinvesting the dividends from time to time) and the initial value of that same hypothetical investment. The initial value is defined as the average weighted share price on the 30 trading days immediately prior to 1 February 2021 (exclusive)[1] and the final value is defined as the average weighted share price on the 30 trading days immediately prior to 31 January 2024 (inclusive). To this end, for calculating such final value, the dividends or other similar amounts received by shareholders on said investment during the respective period of time will be considered, as if the gross amount thereof (before taxes) would have been reinvested in more shares of the same class on the first date on which the dividend or any similar amount is payable to shareholders and at the closing share price on that date. The TSR achieved will be measured against the target set by the Board of Directors at the commencement of the first cycle.
12.5%	Relative Total Shareholder Return ("TSR")	Comparison of the evolution of an investment in Inditex's shares with the evolution of an investment in shares of any of the companies included in the Peer Group of companies (as defined below), determined by the ratio (expressed as a percentage) between the final value of a hypothetical investment in shares (reinvesting the dividends from time to time) and the initial value of that same hypothetical investment. The initial value of Inditex and the companies in the Peer Group is defined as the weighted average share price on the 30 trading days immediately prior to 1 February 2021 (exclusive), and the final value is defined as the weighted average share price on the 30 trading days immediately prior to 31 January 2024 (inclusive). To this end, for calculating such final value, the dividends or other similar amounts received by shareholders on said investment during the respective period of time will be considered, as if the gross amount thereof (before taxes) would have been reinvested in more shares of the same class on the first date on which the dividend or any similar amount is payable to shareholders and at the closing share price on that date.
25%	Sustainability index (comprising 4 indicators)	(i) Use of fibres with a lower impact: measured as the percentage of raw materials from preferred sources. (ii) Waste management: measured as the percentage of Inditex facilities (headquarters, factories, logistics centres and stores) where a waste management system is in place allowing for the waste generated to be dully collected and managed. (iii) Decarbonisation: measured as the reduction in the volume of Greenhouse Gas emissions in the company's own operations (Scope 1 and 2). (iv) Social: measured as the percentage of Inditex suppliers of goods rated A or B in social audits.

[1]. Having found that the resolution passed at the Annual General Meeting regarding the approval of the aforementioned 2021-2025 Plan erroneously refers to a reference price of €25.81 per share for the first cycle of the Plan, when the average weighted price of the Company's shares on the 30 trading days immediately prior to 1 February 2021 (exclusive) was €25.88 per share, the Board of Directors of Inditex resolved, on the proposal of the Remuneration Committee, to set the amount of the average share price at such amount, pursuant to the authority granted to the Board by the Annual General Meeting to rectify the resolution passed at the AGM.

[2]. Neither the sustainability objectives themselves nor their calculation methodology have changed with respect to what was published in the previous financial year's report. It is a mere terminological adaptation to the evolution of sustainability initiatives.

- For the purpose of calculating the payout ratio attained for each level of achievement of targets, a **performance scale** was determined for each metric at the commencement of the cycle, which includes a minimum threshold below which no incentive is paid, corresponding to a payout ratio of 30% of the maximum incentive granted, and a maximum level, corresponding to a payout ratio of 100% of the Maximum Incentive Granted. For intermediate levels, the results shall be determined by linear interpolation.
  - PBT, TTTT, absolute TSR, the following will be measured:

Level of achievement	Level of Incentive (% of Maximum Incentive)
Below minimum	0%
Minimum	30%
Maximum	100%

  - Regarding the evolution of relative TSR, the Peer Group is made up of the companies included in the Dow Jones Retail Titans 30 index as of 1 February 2021 ('the Peer Group'").

    At the end of the cycle, Inditex's TSR and the TSR of each company included in the Peer Group will be calculated. Afterwards, Inditex's TSR will be compared with the TSR of the companies within the Peer Group to identify between which positions Inditex is ranked. Subsequently, the portion of the incentive to be delivered shall be calculated, interpolating between the payout ratios of such positions, according to the difference between TSR values in accordance with the following scale:

Level of achievement	Place in ranking	Level of Incentive (% of maximum Incentive)
Below minimum	< 15th (median)	0%
Minimum	= 15th (median)	30%
Maximum	≥ 5th	100%

- Regarding the Sustainability index: the Remuneration Committee jointly evaluates the 4 indicators above referred based upon the results achieved, disclosed by the Company's Sustainability Department, in accordance with the following performance scales defined for each of them:
  - Indicator no. 1: Use of fibres with a lesser impact, measured as the percentage on the total purchase of the main fibres:

Use of fibres with lower impact	Level of Incentive (% of maximum incentive)
< 56%	0%
56%	30%
61%	60%
> 68.2%	100%

  - Indicator no. 2: waste management, measured as the percentage of Inditex facilities (headquarters, factories, logistics centres and stores) where a waste management system for an appropriate waste recycle, recovery and processing is in place, to be made as a resource for repurposing through reuse or recycling:

Percentage of facilities with waste management system in place as of 31/01/2023	Level of Incentive (% of maximum incentive)
< 93.8%	0%
94%	30%
99%	60%
> 98%	100%

  - Indicator no. 3: Decarbonisation, measured as the reduction in the volume of Greenhouse Gas emissions in the company's own operations (Scope 1 and 2):

Ratio of GHG emissions at the end and start date of the 2021-2024 cycle	Level of Incentive (% of maximum incentive)
< 64%	0%
64%	30%
73%	60%
> 85%	100%

  - Indicator no. 4: concentration of production in suppliers rated A or B in social audits:

Percentage concentration of production in suppliers ranked A and/or B in their social audits (average of the 3 years of the 2021-2024 cycle)	Level of Incentive (% of maximum incentive)
< 88%	0%
88%	30%
91%	60%
> 95%	100%

The incentive will be delivered within the calendar month following the publication of the 2023 annual accounts.

In order to determine the level of achievement reached and the resulting level of payment, at its meeting held on 12 March 2024 and on the proposal of the Remuneration Committee, the Board of Directors has taken into account the following results:

- Total Sales in financial year 2023 in constant currency amounted to €47.881 billion. This result is significantly above the maximum achievement scenario set at the beginning of the cycle. Therefore, the payment level corresponding to the achievement level of this metric is 100%
- The Group's PBT in financial year 2023 was €6.870 billion. This result is significantly above the maximum achievement scenario set at the beginning of the cycle. Therefore, the payment level corresponding to the achievement level of this metric is 100%.
- Inditex TSR in the 2021-2024 period was 66.14%. As a result, the achievement level of this metric and its corresponding level of payment is 100%.
- Inditex TSR is ranked 5th among the Peer Group companies. Therefore, the payment level corresponding to the achievement level of this metric is 100%.
- Regarding the sustainability index:

(i) The percentage of use of raw materials from preferred sources in 2023 amounted to 78.9%. This result is above the maximum achievement scenario established at the beginning of the cycle.

(ii) The percentage of reduction of waste internally generated at Inditex facilities (headquarters, factories, logistics centres and stores) that have a waste management system to recycle, recover and adequately treat such waste for its recovery, preventing it from ending up in a landfill has reached 99.9% as at 31 January 2024. This result is above the maximum achievement scenario set at the beginning of the cycle.

(iii) The ratio of direct Greenhouse Gas emissions reductions in own operations (Scope 1 and 2) has been reduced by more than 89.6% from 1 February 2021 to 31 January 2024. This result is above the maximum achievement scenario set at the beginning of the cycle.

(iv) The percentage of Inditex's product suppliers with a social ranking of A or B has exceeded 96.9% in the average of the three years of the cycle. This result is above the maximum achievement scenario set at the beginning of the cycle.

Consequently, overall, the result of the sustainability index is above the maximum achievement scenario set at the beginning of the cycle. Therefore, the payment level corresponding to the level of achievement of this metric is 100%.

The Remuneration Committee has assessed the results with a full view of the achievements in the first cycle period to ensure that the level of pay is consistent with them, carrying out an appropriate balance between the Company's performance and the protection of shareholders' interests.

Based on this analysis, the Remuneration Committee proposed to recognise an overall payment of 100% of the incentive granted in the maximum achievement scenario, which is the result of applying the mechanics of the Plan and is considered to be consistent with the achievements attained.

On the proposal of the Remuneration Committee, the Board of Directors resolved the following incentive amounts:

For the CEO:

- A cash incentive of €1,183 thousand.
- A share incentive equivalent to 68,562 shares.

The increase in the CEO's total remuneration compared to the previous year is primarily due to the strong increase in the long-term variable remuneration as a result of the excellent operating performance of the Company in the performance period of the objectives and accrual of the first cycle (2021-2024) of the 2021-2025 Long-Term Incentive Plan that is being settled and the subsequent appreciation of Inditex's stock price by approximately 50%, from €25.88 price/share at the beginning of the cycle (1 February 2021) to €38.76 at the end of the cycle (31 January 2024).

In this same sense, in accordance with the criteria adopted by the Company, the share price taken into account for the quantification of the part of the incentive that is delivered in shares corresponds to the share price at the close of trading on the last trading day of the week before the meeting of the Board of Directors at which the level of achievement of the cycle in question is assessed and approved. Thus, the listed value of the Inditex shares on 10 March 2023 that was taken into account for the settlement of the second cycle (2020-2023) of the 2019-2023 Long-Term Incentive Plan (and which was reported in the Annual Report on Remuneration of Directors for financial year 2022), was €29.27, compared to the €40.67 reached on 8 March 2024, taken as a reference for the settlement of the first cycle (2021-2024) of the 2021-2025 Long-Term Incentive Plan.

In addition, it should be considered that the Long-Term Incentive Plan that is settled, referring to financial years 2021, 2022 and 2023, considers the condition as General Counsel in the first year and as CEO in the last two years, while the Incentive Plan settled in the previous financial year 2022 included his capacity as General Counsel in the first two financial years of the cycle and as CEO only in the last year.

B.4. Report on the result of the advisory say-on-pay vote at the Annual General Meeting on remuneration in the previous year, indicating the number of votes in favour, votes against, abstentions and blank ballots:

The Annual Report on the Remuneration of Directors for 2022 was submitted to an advisory say-on-pay vote at the Annual General Meeting on 11 July 2023, as agenda item number 9, with the following outcome:

	Number	% of total
Votes cast	2,772,381,568	88.95 %

	Number	% cast
Votes against	65,213,216	2.36 %
Votes in favour	2,699,017,846	97.64 %
Abstentions	8,150,356	0.29 %
Blank votes	150	0 %

B.5. Determination of the fixed components accrued and vested during the year by the directors in their capacity as such, and their change with respect to the previous year.

To determine the remuneration accrued by the directors in their status as such in 2023, the amounts fixed in the Directors' Remuneration Policy for financial years 2021, 2022 and 2023 have been considered. These amounts have been applied since the resolution passed at the Annual General Meeting held on 19 July 2011, except for the position of non-executive Chair of the Board of Directors, which was created in financial year 2022. The different items and amounts have been detailed in section A.1.7. above.

Pursuant to the foregoing, and based on the current membership on the board of directors and its committees, in 2023 the total amount accrued by the directors in their status as such for the performance of supervisory and collegiate decision-making duties amounted to €3,241 thousand, of which €100,000 correspond to the CEO, Mr Óscar García Maceiras, who held the position of director throughout financial year 2023.

B.6. Determination of the salaries accrued and vested by each of the executive directors over the past financial year for the performance of management duties, and their change with respect to the previous year.

The fixed remuneration accrued by the CEO for senior management duties in financial year 2023 totalled €2,500 thousand, as established in the Directors' Remuneration Policy for financial years 2021, 2022 and 2023, after its partial amendment at the 2022 AGM.

The payments were made in 14 instalments and entirely in cash.

The total amount accrued by the CEO in financial year 2022 as fixed remuneration amounted to €2,041 thousand. The difference between financial year 2022 and 2023 is due to the fact that in calculating the fixed remuneration of the CEO for financial year 2022, two different periods were taken into account, i.e,. from 1 February 2022 until 11 July 2022 and from 12 July 2022, the date of approval of the partial amendment to the Remuneration Policy, until 31 January 2023, to which two different amounts were applicable.

The purpose of the partial amendment of the Directors' Remuneration Policy for financial years 2021, 2022 and 2023 was, among other reasons, to determine the new remuneration package of the CEO for the performance of his duties as the lead and only executive in the new governance structure, increasing from €1,500 thousand, in its original text, to €2,500 thousand.

B.7. Nature and main characteristics of the variable items of the remuneration systems accrued in the year ended.

A detailed breakdown of annual variable remuneration and long-term incentive plans is provided in sections A.1. and B.3. of this Report.

B.8. Reduction or return (clawback) of certain variable components, and, where appropriate, amounts reduced or clawed back, grounds for reduction or clawback and years to which they refer.

No such proceedings have taken place in 2023.

B.9. Main characteristics of the long-term savings systems.

In financial year 2023 Inditex has made no contributions to the defined contribution pension schemes.

B.10. Severance pay or any other type of payment deriving from early cessation, accrued and/or received by directors during the year ended.

As at the date of this Report , no such remuneration has been accrued by any director.

B.11. Significant changes in the contracts entered into with executive directors.

In financial year 2023 the CEO's contract has not been subject to any changes.

B.12. Any supplementary remuneration accrued by directors in consideration of the provision of services other than those inherent in their position.

No supplementary remuneration other than the one explained above is provided in the Remuneration Policy.

As at the date of this Report, no supplementary remuneration has been accrued by the directors in consideration for the provision of services other than those inherent in the position..

B.13. Any remuneration deriving from advance payments, loans or guarantees granted.

The granting of advance payments, loans or guarantees to directors is not covered in the Remuneration Policy.

As at the date of this Report, no advance payment, loans or guarantees have been granted to any director.

B.14. Remuneration in kind accrued by the directors over the year.

No remunerations in kind exist.

B.15. Remuneration accrued by directors by virtue of payments settled by the listed company to a third company at which the director renders services when these payments seek to remunerate the director's services to the company.

As at the date of this Report, no such remuneration has been accrued by any director.

B.16. Any other items of remuneration other than those mentioned in the previous sections.

As at the date of this Report, no additional items of remuneration other than the ones mentioned in the previous sections are provided in the remuneration system for directors.

C. Statistical Appendix III to the annual report on the remuneration of directors of listed public companies (CNMV's Circular 2/2018, of 12 June), corresponding to Industria de Diseño Textil, S.A.

ISSUER IDENTIFICATION

Ending date of reference period: 31/01/2024

CIF: A-15075062

Company name: Industria de Diseño Textil, S.A.

Registered office: Avenida de la Diputación, Edificio Inditex, Arteixo (A Coruña)

Statistical appendix to the annual report on remuneration of directors of listed public companies

B. OVERALL SUMMARY OF HOW REMUNERATION POLICY HAS BEEN APPLIED DURING THE YEAR ENDED

B.4. Report on the result of the advisory say-on-pay vote at the Annual General Meeting on the annual remuneration report for the previous year, stating the number of votes against that may have been cast:

	Number	% of total
Votes cast	2,772,381,568	88.95 %

	Number	% cast
Votes against	65,213,216	2.36 %
Votes in favour	2,699,017,846	97.64 %
Abstentions	8,150,356	0.29 %
Blank ballots	150	0 %

C. ITEMIZED INDIVIDUAL REMUNERATION PAYABLE TO EACH DIRECTOR

Name	Type	Accrual period 2023
Ms Marta Ortega Pérez	Proprietary	From 01/02/2023 to 31/01/2024
Mr Óscar García Maceiras	Executive	From 01/02/2023 to 31/01/2024
Mr Amancio Ortega Gaona	Proprietary	From 01/02/2023 to 31/01/2024
Mr José Arnau Sierra	Proprietary	From 01/02/2023 to 31/01/2024
Pontegade Inversiones, S.L. (represented by Ms Flora Pérez Marcote)	Proprietary	From 01/02/2023 to 31/01/2024
Bns. Denise Patricia Kingsmill	Independent	From 01/02/2023 to 31/01/2024
Mr José Luis Durán Schulz	Independent	From 01/02/2023 to 31/01/2024
Mr Rodrigo Echenique Gordillo	Independent	From 01/02/2023 to 31/01/2024
Ms Pilar López Álvarez	Independent	From 01/02/2023 to 31/01/2024
Mr Emilio Saracho Rodríguez de Torres	Affiliate	From 01/02/2023 to 11/07/2023
Ms Anne Lange	Independent	From 01/02/2023 to 31/01/2024

C.1. Complete the following tables regarding the individual remuneration of each director (including the remuneration paid for performing executive functions) payable in the financial year.

a) Remuneration from the reporting company:

i) Remuneration in cash (in thousands of euros)

Name	Fixed remuneration	Attendance fees	Remuneration for membership of board committees	Salary	Short-term variable remuneration	Long-term variable remuneration	Compensation	Other items	Total year 2023	Total year 2022
Ms MARTA ORTEGA PÉREZ	100	-	-	-	-	-	-	900	1,000	834
Mr ÓSCAR GARCÍA MACEIRAS	100		-	2,500	3,750	1,183			7,533	6,926
Mr AMANCIO ORTEGA GAONA	100	-	-	-	-	-	-	-	100	100
Mr JOSÉ ARNAU SIERRA	100	-	200	-	-	-	-	80	380	380
PONTEGADEA INVERSIONES, S.L. (REPRESENTED BY MS. FLORA PÉREZ MARCOTE)	100	-	-	-	-	-	-	-	100	100
BNS. DENISE PATRICIA KINGSMILL	100	-	150	-	-	-	-	50	300	300
Mr JOSÉ LUIS DURÁN SCHULZ	100	-	150	-	-	-	-	50	300	278
Mr RODRIGO ECHENIQUE GORDILLO	100	-	150	-	-	-	-	50	300	300
Ms PILAR LÓPEZ ÁLVAREZ	100	-	150	-	-	-	-	50	300	300
Ms ANNE LANGE	100	-	150	-	-	-	-	-	250	250
Mr EMILIO SARACHO RODRÍGUEZ DE TORRES	45	-	66	-	-	-	-	-	111	272

ii) Table of changes in share-based remuneration schemes and gross profit from vested shares or financial instruments

Name	Name of Plan	Financial instruments at start of FY2023		Financial instruments granted in FY2023		Financial instruments vested during the year				Instruments matured but not exercised	Financial instruments at end of FY2023	
		No. instruments	No. equivalent shares	No. instruments	No. equivalent shares	No. instruments	No. equivalent/ vested shares	Price of vested shares	Gross Profit from vested shares or financial instruments (thousands of euros)	No. instruments	No. instruments	No. equivalent shares
Mr ÓSCAR GARCÍA MACEIRAS	First cycle (2021-2024) of the 2021-2025 Long-term Incentive Plan	68,562	68,562			68,562	68,562	40.67	2,788	0		
Mr ÓSCAR GARCÍA MACEIRAS	Second cycle (2022-2025) of the 2021-2025 Long-term Incentive Plan	71,472	71,472								71,472	71,472
Mr ÓSCAR GARCÍA MACEIRAS	First cycle (2023-2026) of the 2023-2027 Long-term Incentive Plan			75,045	75,045						75,045	75,045

iii) Long-term savings systems

Name	Remuneration from vesting of rights to savings system (€ thousand)

Name	Contribution over the year from the company (€ thousand)				Amount of accrued funds (€ thousand)			
	Savings systems with vested economic rights		Savings systems with non-vested economic rights					
					Financial year 2023		Financial year 2022	
	Financial year 2023	Financial year 2022	Financial year 2023	Financial year 2022	Systems with vested economic rights	Systems with non-vested economic rights	Systems with vested economic rights	Systems with non-vested economic rights

iv) Details of other items

Name	Concept	Amount of remuneration
No data		

b) Remuneration paid to the company's directors for serving on the boards of other group companies:

i) Remuneration in cash (in thousands of euros)

Name	Fixed remuneration	Attendance fees	Remuneration for membership of Board committees	Salary	Short-term variable remuneration	Long-term variable remuneration	Compensation	Other items	Total FY 2023	Total FY 2022
No data										

ii) Table of changes in share-based remuneration schemes and gross profit from vested shares or financial instruments

	Name of Plan	Financial instruments at start of FY2023		Financial instruments granted in FY2023		Financial instruments vested during the year				Instruments matured but not exercised	Financial instruments at end of FY2023	
Name		No. instruments	No. equivalent shares	No. instruments	No. equivalent shares	No. instruments	No. equivalent/ vested shares	Price of vested shares	Gross profit from vested shares or financial instruments (€ thousand)	No. instruments	No. instruments	No. equivalent shares
No data												

iii) Long-term savings systems

Name	Remuneration from vesting of rights to savings systems
No data	

Name	Contribution over the year from the company (thousands of euros)				Amount of accrued funds (thousands of euros)			
	Savings systems with vested economic rights		Savings systems with non-vested economic rights		Financial year 2023		Financial year 2022	
	Financial year 2023	Financial year 2022	Financial year 2022	Financial year 2021	Systems with vested economic rights	Systems with non-vested economic rights	Systems with vested economic rights	Systems with non-vested economic rights
No data								

iv) Details of other items

Name	Concept	Amount of remuneration
No data		

c) Summary of remuneration (in thousands of euros):

This summary should include the amounts corresponding to all the remuneration items included in this report that have accrued to each director (in thousands of euros) .

Name	Remuneration accrued in the company					Remuneration accrued in group companies				
	Total cash remuneration	Gross profit from vested shares or financial instruments	Remuneration by way of savings systems	Other items of remuneration	Total FY2023 company	Total cash remuneration	Gross profit from vested shares or financial instruments	Remuneration by way of savings systems	Other items of remuneration	Total FY2023 group
Ms MARTA ORTEGA PÉREZ	1,000				1,000					0
Mr ÓSCAR GARCÍA MACEIRAS	7,533	2,788			10,321					0
Mr AMANCIO ORTEGA GAONA	100				100					0
Mr JOSÉ ARNAU SIERRA	380				380					0
PONTEGADEA INVERSIONES, S.L. (REPRESENTED BY MS. FLORA PÉREZ MARCOTE)	100				100					0
BNS. DENISE PATRICIA KINGSMILL	300				300					0
Mr JOSÉ LUIS DURÁN SCHULZ	300				300					0
Mr RODRIGO ECHENIQUE GORDILLO	300				300					0
Ms PILAR LÓPEZ ÁLVAREZ	300				300					0
Ms ANNE LANGE	250				250					0
Mr EMILIO SARACHO RODRÍGUEZ DE TORRES	111				111					0
										0
TOTAL	**10,674**	**2,788**			**13,462**					

C.2. State the development over the last 5 years of the amount and the percentage change in the remuneration earned by each of the listed company's directors who have been directors during the year, the consolidated results of the company and the average remuneration on a full-time equivalent basis of the employees of the company and its subsidiaries who are not directors of the listed company.

	Total amounts accrued and annual variation								
	Financial year 2023	Percentage variation 2023/2022	Financial year 2022	Percentage variation 2022/2021	Financial year 2021	Percentage variation 2021/2020	Financial year 2020	Percentage variation 2020/2019	Financial year 2019
Executive Directors (€ thousand)									
Mr ÓSCAR GARCÍA MACEIRAS	10,321	23 %	8,374	1023 %	746	-	-	-	-
Non-executive Directors									
Ms MARTA ORTEGA PÉREZ	1,000	20 %	834	-	-	-	-	-	-
Mr AMANCIO ORTEGA GAONA	100	0 %	100	0 %	100	0 %	100	0 %	100
Mr JOSÉ ARNAU SIERRA	380	0 %	380	0 %	380	0 %	380	15 %	330
PONTEGADEA INVERSIONES, S.L. (REPRESENTED BY MS. FLORA PÉREZ MARCOTE)	100	0 %	100	0 %	100	0 %	100	0 %	100
BNS. DENISE PATRICIA KINGSMILL	300	0 %	300	0 %	300	0 %	300	20 %	250
Mr JOSÉ LUIS DURÁN SCHULZ	300	8 %	278	11 %	250	(8)%	273	(9)%	300
Mr RODRIGO ECHENIQUE GORDILLO	300	0 %	300	0 %	300	0 %	300	0 %	300
Ms PILAR LÓPEZ ÁLVAREZ	300	0 %	300	0 %	300	8 %	277	11 %	250
Ms ANNE LANGE	250	0 %	250	0 %	250	0 %	250	762 %	29
Mr EMILIO SARACHO RODRÍGUEZ DE TORRES	111	(59)%	272	(9)%	300	0 %	300	0 %	300
Consolidated results of the company (€ million)	6,870	28 %	5,358	28 %	4,199	200 %	1,401	(70)%	4,681
Average employee remuneration (€ thousand)[(1)]	**36**	**12 %**	**33**	**9 %**	**30**	**29 %**	**23**	**(15)%**	**27**

[(1)] Average remunerations have been calculated in accordance with CNMV's criteria. To do so, the average based on a full-time equivalent has been considered. Consequently, the average remunerations for previous years reported in previous years reports have been re-expressed to adjust to such criteria.

This annual remuneration report has been approved by the Board of Directors of the Company at the meeting held on 12 March 2024.

State whether any director has voted against or abstained from approving this Report.

Yes ☐ No ☒

Name or company name of the member of the board of directors who has not voted for the approval of this report	Reasons (against, abstention, non-attendance)	Explain the reasons

Pursuant to the provisions of section 253 of the Revised Text of the Companies Act, and section 34 of the Code of Commerce, the Directors of the company Industria de Diseño Textil, S.A. proceeded at the meeting held on 12 March 2024, to issue the consolidated annual accounts and the consolidated directors' report for the financial year ended 31 January 2024. The annual accounts consist of the documents preceding this page (consolidated income statement, consolidated statement of comprehensive income, consolidated balance sheet, consolidated statement of cash flows, consolidated statement of changes in equity and notes to the consolidated financial statements). The Integrated Directors' Report comprises the Consolidated Directors' Report, the Statement on Non-Financial Information, the Annual Corporate Governance Report and the Annual Report on Remuneration of Directors.

Ms Marta Ortega Pérez
Chair

Mr Amancio Ortega Gaona
Ordinary Member

Mr José Arnau Sierra
Deputy Chair

Mr Oscar García Maceiras
CEO

Pontegadea Inversiones, S.L
Ordinary Member
Ms Flora Pérez Marcote

Bns Denise Patricia Kingsmill
Ordinary Member

Ms Pilar López Álvarez
Ordinary Member

Ms Anne Lange
Ordinary Member

Mr José Luis Durán Schulz
Ordinary Member

Mr Rodrigo Echenique Gordillo
Ordinary Member

INDITEX